

Protesters block fuelling of two French N-plants

BY TERRY DODSWORTH IN PARIS

THE FRENCH electricity generating board's plans to begin loading two nuclear power stations with enriched uranium were being held up yesterday by union pickets protesting about faulty components in the plants.

Talks between unions representatives and Electricite de France have started in Paris aimed at resolving the dispute, which has arisen over surface cracks in some key steel alloy components.

Another Czech dissident charged with subversion

PRAGUE — Czechoslovak security police have arrested Mr. Rudolf Batek, a human rights activist, and charged him with subversion, dissidents said yesterday. They said that Mr. Batek, a former member of the national Parliament was detained on Monday and his house was searched on Wednesday.

Iran sells 15% of oil exports on spot market

By Richard Johns

IRAN IS selling 10 to 15 per cent of its oil exports on the spot market, Dr. Cyrus Ibrahimzadeh, the Islamic Republic's Deputy Minister for Economic and International Affairs, said in Vienna yesterday.

Asked whether it was doing so to create the conditions for a substantial price increase next year, he replied: "It could be so." His admission came as a surprise. Members of the Organisation of the Petroleum Exporting Countries, at their last ministerial conference in June, promised to limit transactions on the spot market in a collective effort to stop the present price spiral.

Dr. Ibrahimzadeh, who had just arrived for OPEC's annual seminar on the theme, "OPEC and future energy markets," said that Iran's output was "pretty stable" at 4m barrels a day with exports running at 2.5m to 3.5m b/d. The plan was to keep them at this level in 1980 and for the next four years though it could be revised in the event of unusually high prices.

EUROPEAN COURT SETBACK FOR BRITAIN

Fishery restrictions ruled illegal

BY MARGARET VAN HATTEM IN BRUSSELS

BRITAIN'S RIGHT to control fishing in its coastal waters was further eroded yesterday, when the European Court of Justice ruled that UK fishery controls introduced in 1977 were illegal.

Commission's absolute authority in fisheries' policy. The Commission hopes to establish its right not only to be informed of all national measures under consideration by EEC members, but also to block them. It has been supported in this by the Court's Advocate General. Giving his opinion on the Cap Caval case last month, he said that, although the country did not need the Commission's explicit approval for a fisheries' measure, it could not proceed in defiance of its explicit disapproval.

Christopher Parkes writes: Britain has radically altered its stance in negotiations with its Common Market partners on reform of the common fisheries policy. The "all or nothing" tactics of the Labour Administration have been shelved and Mr. Peter Walker, the new Minister of Agriculture and Fisheries, is hoping a piecemeal approach will break the stalemate.

Yesterday's ruling from the court suggests that other pending cases will go against Britain and seriously undermine the UK's negotiating platform in the Council of Ministers. Although the Ministry of Agriculture shrugged off yesterday's ruling as "technical and hypothetical," the Government hopes that solid progress on the issue of conservation policy in the council will nullify the damaging effects of future judgments.

Fewer out of work in August

By Our Bonn Staff

THE NUMBER of unemployed in West Germany has sunk to the lowest level this year, reflecting the general upswing in the economy. Preliminary figures show, however, that both industrial production and orders to manufacturing industry dropped slightly during August.

Officials have taken an optimistic view of these mixed figures. Production and new orders are still at a high level, and the drop has to be seen against unusually strong figures in July. Unemployment in September fell to 738,000 and the unemployment rate now stands at 3.2 per cent, compared to 3.5 per cent in August.

Schmidt urges SALT approval

BY ROGER BOYES IN BONN

HERR HELMUT SCHMIDT, the West German Chancellor, says in an interview published today that rejection of the SALT II agreement would be a disastrous blow to the U.S. leadership role in the West.

neither France nor Germany wants to be involved directly in the next round of SALT negotiations. France would certainly not wish to be involved. We ought



Herr Franz Josef Strauss (above) has been legally barred from making certain allegations about Herr Egon Bahr, party manager of West Germany's ruling Social Democrat Party. Herr Bahr started the action to ensure the 1980 campaign for Chancellor, "will be based on fact, not a discussion."

New DM borrowing by U.S. expected

BY DAVID MARSH IN FRANKFURT

THE HEAVY support given to the dollar over the last few weeks by the U.S. Federal Reserve makes it almost certain that the U.S. Treasury will shortly announce a further Deutsche Mark borrowing in order to top up resources to defend its currency.

That is the view of Frankfurt foreign exchange bankers, who feel that without a further issue of medium-term Deutsche Mark "Carter notes," the U.S. Government's new-found foreign exchange reserves could soon become seriously depleted.

A further Deutsche Mark borrowing on the West German capital market—which would be the U.S. Administration's third since the package of dollar support measures last November—would be warmly welcomed by both the Bonn Government and the Bundesbank.

has almost certainly made further drawings on its West German assets in recent weeks. There is no suggestion that the Fed's \$6bn swap line with the Bundesbank, which was reactivated in the wake of the dollar's weakness in June, is near exhaustion. But it would be better for the U.S. to acquire more D-marks now.

Thatcher's Rome talks focus on EEC

By Rupert Cornwell in Rome

THE BRITISH Prime Minister, Mrs. Margaret Thatcher, last night began talks in Rome with Sig. Francesco Cossiga, the Italian Premier, that are expected to concentrate on the EEC budget and international currency turbulence.

The two sessions of discussions planned before Mrs. Thatcher returns to London today to fit into the intricate web of bilateral meetings between Heads of Government of the Nine, before the European Council meeting in Dublin next month.

Although both Britain and Italy tend to regard each other as natural allies in most Community battles, ranging from budget contributions, the European monetary system and regional policy to the possibility of reforming the common farm policy, their interests have tended to move slightly apart in recent weeks.

Italy's strong pressure for changes in the financing mechanisms of the EEC, however, has been rather denied by a Commission study which showed that Rome, contrary to expectations, was a substantial net beneficiary under present regulations.

Sig. Cossiga is likely to reiterate Italy's wishes to see Britain as a full member of the monetary system. The British Government, however, sees the latest currency and gold hauls as justification for its continued refusal to tie the sterling more closely to other EEC currencies.

Her talks with Sig. Cossiga, for which only a loose agenda has been drawn up, are expected to cover the latest Rhodesian developments as well as East-West relations.

INTERNATIONAL OENOLOGICAL AND BOTTLING EQUIPMENT EXHIBITION



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Advertisement for World Courier and Eurolink. Includes text: 'Another 1st for World Courier', 'Only World Courier collects vital documents up to 6pm. for delivery to New York and most major European destinations by 9 to 9-30am. the following day'. Features a large 'EUROLINK' logo and a map showing service routes to cities like Amsterdam, Brussels, Frankfurt, Paris, Geneva, Zurich, Milan, Hamburg, and London.

Advertisement for Park West. Includes text: 'New DM borrowing by U.S. expected', 'PARK WEST The biggest address in town', 'Studios, 2-3-4 & 5-room luxury apartments from £32,500'. Features a photograph of the Park West building and a list of amenities such as 'Exceptional value', '125 year leases and low ground rents', 'Magnificent entrance halls', 'New fully-equipped kitchens and bathrooms', 'Wall-to-wall carpets', 'Swimming pool and Squash courts', 'Car-parking available', 'Mortgages available', 'Model apartments designed and furnished by Robin Anderson', and '24 hour uniformed porterage'.

مركز من الأعمال

EUROPEAN NEWS

E. German anniversary celebrations

Only Ceausescu stays at home

BY LESLIE COLITT IN BERLIN

THE SOVIET PRESIDENT, Mr. Leonid Brezhnev, appearing remarkably fit, has begun a five-day visit to East Germany as the guest of honour at the 30th anniversary of the country which was established by the Soviet Union a month after West Germany was founded.



Comradely greeting: Mr. Leonid Brezhnev (right), the Soviet leader, being greeted by President Erich Honecker of East Germany, who he arrived in Berlin yesterday.

30th anniversary. In turn, Mr. Erich Honecker, the country's President, promised this week that prices for basic items will not be raised if productivity goals are met.

The East German leadership has also announced an amnesty for convicted criminals and political prisoners. Retired East Germans are to have their low pensions improved and medals and cash prizes are raining down on tens of thousands of

ton over the issue of Soviet troops in Cuba. A number of Third World leaders have also come to East Berlin, reflecting the considerable material and ideological support which East Germany has given them. Mr. Joshua Nkomo, co-leader of the Zimbabwe Rhodesian Patriotic Front, is among them, along with Mr. Sam Nujoma, the president of the South-West African People's Organisation, and Mr. Yasser Arafat of the Palestine Liberation Organisation.

Spanish railways halted in protest at pay policy

BY ROBERT GRAHAM IN MADRID

IN THE first large-scale protest this autumn against a government imposed wages policy, Spain's 70,000 rail workers yesterday went on a four-hour strike. The stoppage passed off without major incidents but a further strike is scheduled for October 12.

In August, the Government declared that wages for the second half of the year could be topped up by a maximum 1.7 per cent to match inflation. A number of conditions were attached, however. In particular, all public sector employees, or those working in companies which faced financial difficulties, were excluded.

in Madrid by 45,000 workers protesting against proposed plant reductions in two large employers, Standard Electrica and Marconi. This demonstration also turned into a protest against government wages policy.

The main trade union, the Communist-controlled Confederation of Workers Commissions is pressing for a top-up of 6 per cent, and using this as a wider platform for a general show of strength. It is building up to big one-day national protest on October 14. Whether this will be supported by the other large union, the Socialist General Workers Union, is not clear.

measures to get essential goods moving. These measures included bringing in some 200 military drivers, the imprisonment of three strike organisers and tough sanctions against any hauliers who refused to return to work.

This strike, unsupported by the main unions, originated in demands for higher tariffs by the hauliers, who are small-time owners of between two and 10 trucks. The conflict has become increasingly bitter, and two weeks ago a Civil Guard shot dead a trucker. Meanwhile supplies of anthracite for the steel industry in Oviedo were put in jeopardy as was delivery of milk, the region's major agricultural activity.

Power project has tempers boiling in Norway's far North

BY FAY GJETER IN OSLO

A CONTROVERSIAL hydro-electric project which is opposed by both conservationists and local Lapp reindeer owners has brought tempers to boiling point in the north Norwegian county of Finnmark.

Demonstrators who have camped for weeks in the paths of bulldozers have succeeded in halting work on an access road to the main construction site of the project, which will harness the waters of the Alta-Kautokeino river system to yield 625m kilowatt hours annually. Norway's state hydro power authority (NVE), which is responsible for the scheme, claims the delay is costing around Nkr 1m (\$200,000) a week. It says the road must be ready by next summer, if it is to begin its construction time-schedule.

Though local people may have mixed feelings about the demonstrators, most of them agree with the conservationists inside and outside Norway, who oppose the Alta-Kautokeino scheme. A petition against it collected more than 14,000 signatures, representing a majority of the adult population in this sparsely populated district.

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vided that the demonstrators, for their part, would agree to accept the court's decision. He said it was dangerous to allow the confrontation between the two sides to continue. The Lapps' just struggle for their rights might also suffer, if the dispute got out of hand, he warned. The country would be best served by awaiting the verdict of the court, and accepting it, whatever it proved to be.



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OVERSEAS NEWS

Signs of slowdown in Israel's economy

By L. Daniel in Tel Aviv
SIGNS OF a slowdown in the overheated Israeli economy, or at least no further acceleration, were observed during the first half of this year.

Settlers forced to abandon seized land

By David Lennon in Tel Aviv
ISRAELI troops yesterday forced Israeli settlers to abandon a plot of privately owned Arab land near Nablus on the West Bank which they had occupied earlier in the day.

OUTSIDERS AND THE SINO-VIETNAM DISPUTE

Third parties in a possible war

THE STRUGGLE between China and Vietnam is beginning to entangle third countries — not just in south-east Asia, but in Europe and America as well.

Nkomo-Mugabe unlikely to yield on constitution

By MICHAEL HOLMAN
THE PATRIOTIC FRONT guerrilla alliance is likely to maintain its objections to key provisions in Britain's independence constitution for Zimbabwe.



Mr. Mugabe's objections

Nominations rejected from Pakistan's main parties

By OUR FOREIGN STAFF
ALL NOMINATIONS submitted for next month's elections in Pakistan by candidates of parties not registered with the election commission have now been rejected.

Korea Assembly expels leading opposition MP

By Ron Richardson in Seoul
KIM YOUNG-SAM, leader of South Korea's opposition New Democratic Party (NDP), was yesterday expelled from the National Assembly for unconstitutional activities after a ballot from which opposition MPs were barred by police guards.

AMERICAN NEWS

MEXICAN STEEL PRODUCTION

Output must triple by 1990

BY WILLIAM CHISLETT IN MEXICO CITY

MEXICAN INDUSTRY is becoming so hungry for steel, as rising oil revenue boosts the economy that steel production will have to more than triple by 1990 if sharply increasing demands are to be met and imports reduced.

about one-third of the equipment. Among them were Davy International, Clarke Chapman and British Oxygen. The British Steel Corporation acted as management consultants for the project.



Oil revenue, calculated at \$4bn this year, is fuelling an economic "takeoff" with domestic production projected at over 7 per cent this year, rising to 10 per cent by 1982.

time with the traditional blast furnace and basic oxygen system and not convert to the HYL direct reduction process, invented by the Hylsa mill and successfully patented in many countries.

U.S. details quota system plans to curb oil imports

BY DAVID LASCELLES IN NEW YORK

THE U.S. yesterday disclosed details of its plans to curb oil imports and meet the 8.5m barrel-a-day limit pledged by President Carter at the Tokyo summit in June.

This is a modification of the auction system, and would presumably involve a higher degree of bureaucratic involvement.

They might have gone higher still this year were it not for the oil shortages on world markets, and President Carter's moves to increase the price of oil domestically to discourage consumption.



Mr. Harold Brown

Study backs arms sales to Chinese

By David Buchan in Washington

A SECRET Defence Department study suggesting the U.S. should bolster China's military potential, possibly by providing Peking with advanced technology, and intelligence data and by selling it arms, was reported in the New York Times yesterday.

The leak of the study, prepared in April, comes in the same week as the announcement that Mr. Harold Brown, Defence Secretary, is to visit Peking this winter.

It also suggests that a far-reaching change in the U.S. policy of even-handedness towards China and the Soviet Union is being mooted in some high quarters of the Carter Administration.

Canada advised to delay fighter-aircraft project

BY VICTOR MACKIE IN OTTAWA

THE CANADIAN Government has been advised to delay decision on the C82.3bn (€905m) fighter aircraft programme another year, rather than settle for the industrial benefits the aerospace industry would get from the current bidders.

Mr. John Sheppard, vice-chairman of the Science Council of Canada, said he had offered this advice and now felt free to speak publicly, because he is leaving the Science Council for private industry.

GM pay pact in Canada

TORONTO — General Motors workers at nine Canadian plants reached a tentative pay agreement with management yesterday, after staging a 30-minute strike.

The new pact, still to be ratified by the United Auto Workers Union, would give 33,000 workers in the provinces of Ontario and Quebec an hourly wage of C\$11.70 (£4.61) after three years. The average wage now is C\$8.18 an hour.

Move to cut Syria economic aid

WASHINGTON — The Senate Appropriations Committee approved an \$8.5bn foreign aid Bill late on Wednesday after debating \$45m in economic aid for Syria.

The Syrian aid cut, approved 12-7 by the committee, was proposed by Senator William Proxmire, who called Syria the main opponent of peace with Israel and the principal supporter of the Palestine Liberation Organisation (PLO).

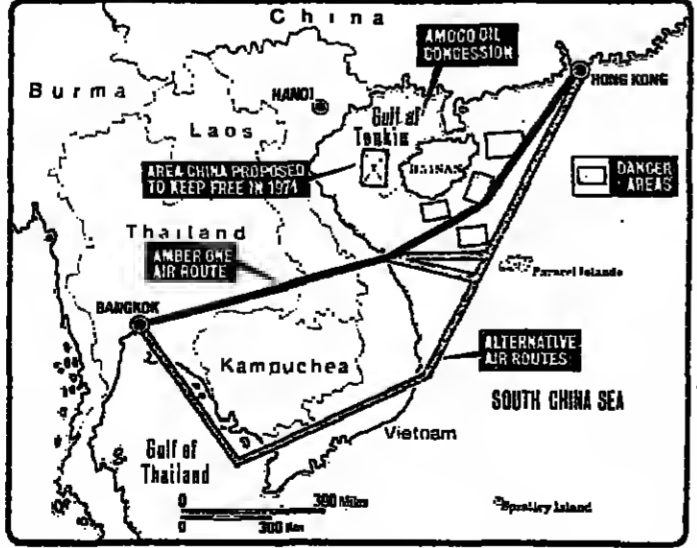
Pope reaffirms ban on women in priesthood

POPE JOHN PAUL II yesterday reaffirmed Roman Catholic teaching that priests must remain celibate and cannot give up their vows and that women should not be ordained, Reuters reports from Philadelphia.

His statement was expected to provoke some criticism among reformist American Catholic priests.

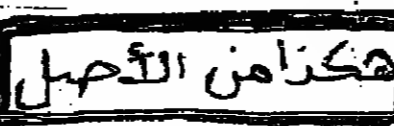
Joins energy official exits nuclear firm

Mr. John O'Leary, former Deputy Energy Secretary under Dr. James Schlesinger, has been appointed a director of General Public Utilities, owner of the Three Mile Island nuclear plant, it was announced yesterday. David Lascelles reports from New York.



interests to their own. On the second issue, two months ago China declared that as from October 23 airspace over four areas to the east of Hainan Island in the South China Sea would be "danger zones".

foundation in international law, but no airline is going to risk its passengers by flouting it. Airlines could change their route to fly east and south of the Paracel danger zone, but that would require agreement by all of the authorities concerned with Amber Ooe—Thailand, Vietnam and Hongkong.



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Banks plan big changes

BY MICHAEL LAFFERTY, BANKING CORRESPONDENT

THE MIDLAND and Lloyds bank groups are planning to reorganise important parts of their operations.

Mr. Eric Whittle, the chief executive of Lloyds Bank International, said yesterday that management was still considering the future of certain activities. The review meant, that some of LBI's operations would be scaled down, while others would be expanded to meet the group's new objectives.

He declined to comment on a suggestion that the review would involve 20 per cent staff reductions over the next few years, but confirmed that there would be no enforced redundancies. Departments under review include those concerned with money management, which has been eliminated, and planning, which has been sharply cut back.

Lloyds wants to make substantial reductions in overheads at Lloyds Bank International, a major subsidiary, which was the subject of a management review completed a few months ago.

Midland is believed to be considering a plan to merge the bank's UK finance house, leasing and factoring activities into one organisation. This change would involve Forward Trust, the Birmingham-based finance com-

Thomson of Monifieth for IBA

By Arthur Sanders

LORD THOMSON of Monifieth, a former Labour Chancellor of the Duchy of Lancaster, has been appointed deputy chairman of the Independent Broadcasting Authority from February.

Ending one of the less well-kept secrets of recent weeks, the Home Office has confirmed that Lord Thomson will succeed Lady Plowden as chairman of the authority when she retires at the end of next year.

The chairman-designate has been appointed in far ahead because in the next 18 months the IBA will go through the whole programme of allocation of new contracts.

Lady Plowden was to have retired this year. This coincided with the general election and the arrival of the new Government, and she was asked to stay until matters were sorted out.

Lord Thomson succeeds Mr. Christopher Bland as deputy chairman of the IBA.

The deputy chairmanship of the authority is a part-time appointment with a salary of £3,600 a year, which is due to rise to £4,500 in April.

The appointment of Lord Thomson, who was a European Commissioner from 1973 to the end of 1976, follows a tradition of giving former politicians senior posts in broadcasting.

Collins may sack 600 staff following £828,000 loss

BY RAY PERMAN, SCOTTISH CORRESPONDENT

WILLIAM COLLINS, the Glasgow publisher, may make up to 600 workers redundant as part of a plan to restore the company to profitability, following a £828,000 loss in the first half of this year.

This proposal was put yesterday to unions, who were also told that £1m would be spent on new equipment and modernisation at the company's main plant at Bishopbriggs, which employs 2,600 persons.

The run-down was discussed by shop stewards, who will hold a series of works' meetings before giving a reply to the management in a few weeks' time.

Collins' losses, announced a month ago, were a surprise, following a pre-tax profit of £1.2m in the same period of 1978. They resulted from a 13 per cent drop in income from the company's main overseas markets, such as the U.S., Australia and Canada. This in turn was largely due to the strength of sterling, but also reflects increased costs in the printing, bookbinding, and distribution divisions.

Earlier this summer, the Board of directors was reshuffled and Mr. David Nickson was appointed managing director. He promised "strong measures" to bring the firm back to health.

Collins publishes a list of its own titles, including novels by

Alistair Maclean and Anatha Christie. It also carries out contract book printing for other houses, such as Marshall Cavendish, Corgi and Pan.

At present, this side of the business represents only 15 per cent of the work volume, but the company hopes to increase it. Collins is buying a new web offset press and automatic binding machines to increase capacity.

Mr. Clark Paton, personnel manager, said the company believed that more work could be secured, provided costs could be kept down and Collins' reputation for high quality maintained.

Poles apologise to shipbuilders

BY RAY PERMAN, SCOTTISH CORRESPONDENT

THE POLISH Steamship Company has made a public apology for an article which appeared in a Polish newspaper last month criticising the workmanship and the late delivery of bulk carriers built by Govan Shipbuilders on the Clyde.

The report, headed "Disillusioned," quoted a Polish captain as saying that after the third voyage of one of the ships, 27 major repairs had been needed and that complaints to Govan had filled "two thick files."

Govan built 13 of the 22 ships ordered by Poland from Britain and launched the last two on Wednesday. Mr. Mieczyslaw Kowalkowski, managing director of the Gdynia America Line, who represented the ship's owners at the launchings, said in his speech that he found the criticisms remarkable, since the vessels had been built under the supervision of the steamship company's own technical staff and the scrutiny of Lloyds and the Polish Register of Shipping.

There was absolutely no lack of confidence in either the quality or the performance of ships built by Govan, he added, and he apologised for the article, which was widely reported in Britain.

Mr. Archie Gilchrist, managing director of Govan Shipbuilders, said yesterday that the Polish newspaper article had caused irritation and anger in the yard, and had harmed the image of British shipbuilders abroad. A number of potential customers had quoted the article.

"The criticisms were groundless and it was very gratifying to have Mr. Kowalkowski rebut them in unqualified remarks made in his speech."

British Shipbuilders has acknowledged that several of the ships will be delivered after the original December 31 deadline, but says that in some cases this is due to the late delivery of equipment supplied from Poland.

John Elliott writes: British Shipbuilders last night welcomed four ship orders received by UK yards this week as a "significant step" towards achieving their target needed to maintain planned employment levels at the end of next year.

The orders are a "total of products earlier ordered by Finland for shipping from Gdansk Shipbuilders for operation by P. T. Evertson, placed with Apulian Shipbuilders, and a Moray Dock and Harbour Board dredger ordered from Robb Caledon at Lerth.

United Biscuits to start fast-food chain

BY DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT

UNITED BISCUITS is to launch a major restaurant chain in the UK, based on Denny's restaurant operation in the U.S. United Biscuits said yesterday that it had negotiated "for an undisclosed sum, a licence agreement with Denny's Incorporated to use the Denny's name in the UK. The agreement also includes technical assistance to help United Biscuits operate the restaurant chain along the lines of its successful model.

United Biscuits, which already operates the Wimpy and Pizzaland fast food chains, believes there is room for a more up-market restaurant chain offering good value.

Denny's typical U.S. customers are travellers and people working away from home, though in the past few years it has broadened its market to include lunch-time trade. Denny's has 800 restaurants in the U.S. and 900 Winchell's "Donut" houses world-wide. Total turnover for Denny's in the year ended June 1979 was \$624m.

The expansion of Denny's into the UK will probably begin in the South-East and, according to United Biscuits, will depend on the availability of prime High Street sites.

The Denny's chain will be operated by United Biscuits D. S. Crawford subsidiary.

Phillips group leads offshore gas project

BY RAY DAFFER, ENERGY EDITOR

AN OFFSHORE gas consortium, led by Phillips Petroleum has started production from two small reservoirs in the southern part of the North Sea. The extra production, from the newly-named North Hewett gas fields, will help maintain supplies to the British Gas Corporation.

The reserves lie in block 48/30, off the Norfolk coast. Phillips said they had been developed to augment existing production from the big Hewett Field nearby.

Last year Hewett supplied 231.4bn cubic ft of natural gas, about 13 per cent of British Gas Corporation's needs. In addition, some 500,000 barrels of condensate — very light oil — were produced as feedstock for refined oil products.

North Hewett, which is being exploited by means of two seabed well systems, is capable of producing more than 100m cubic feet a day of gas. However, under the terms of the supply contract with British Gas the Phillips group is not expecting to sell this volume of gas throughout the year. British Gas can vary its offtake to match supplies with seasonal demand.

The two North Hewett wells — on structures formerly named Deborah and Little Doty — are connected by pipeline to two of the three production platforms on the Hewett Field. The gas is transported 15 miles to a shore terminal at Bacton, Norfolk, by two large diameter pipelines.

Gas from Hewett has been exploited for over 10 years. The output from the new reservoirs will help to offset a decline in production from the main, partly depleted field.

City brokers' £100,000 drive for investors

BY TIM DICKSON

CAPEL-CURE MYERS, City stockbrokers, is spending more than £100,000 in an effort to attract private investors.

The marketing and advertising campaign, which the firm announced yesterday, is almost certainly the highest launched by any London stockbroker and is a new departure.

The campaign is based on the launch of the Capel-Cure-Myers Money Care Services, a marketing umbrella for services which have developed from Capel-Cure's contract with private investors.

The brokers claim they can give independent advice on any financial matter, whether it is tax counselling, setting up residence abroad or wrestling with the problems of school fees.

Capel-Cure is already managing about £350m for 10,000 private clients. The firm hopes its campaign will attract another 3,000 clients and £150m during the next five years.

Fire at truck transmission plant costs £20m

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

EATON CORPORATION has lost about a third of its truck transmission capacity in Europe in a fire which almost destroyed its Manchester plant. The replacement cost is unofficially estimated to be £20m.

Eaton said yesterday that a decision about rebuilding the plant would be taken within a week or two. It would take between 18 months and two years to get the factory back into operation.

The Manchester plant, acquired by the group in 1965, is one of three Eaton plants which make the Eaton-Fuller two counter shaft truck trans-

missions. These are supplied to most of the European heavy truck groups.

The other plants are at Basingstoke in the UK and St. Nazaire on the French Atlantic coast, which came into production last year. This plant increases UK capacity from 40,000 to 36,000 units a year.

The Manchester plant employs about 1,000 people and is the headquarters of Eaton's transmission business in Europe. The fire, late on Saturday, destroyed all but one final assembly line, representing perhaps a quarter of the manufacturing space.

Hocus Pocus sold for £580 at Sotheby's

THE SECOND part of J. B. Findlay's unrivalled collection of books and manuscripts on magic was on sale at Sotheby's Chancery Lane yesterday.

All the lots sold, for a total of £23,465 and the sale continues today. Top price was the £640 from an American buyer for "The Wonderful Conjurer," published in Birmingham in about 1800. Huber, the German dealer, paid £600 for a set of The Sphinx and £580 for a fourth edition, of 1688, of Philand's Hocus Pocus.

Also at Sotheby's, Islamic coins made 280,575 and silver £35,562. An Iranian coin of the late Qajar period around 1900, was bought by an Iranian collector for £2,500, and the same buyer paid £1,800 for a slightly later coin. A gold third dinar of North Africa, dating from around 710, fetched £2,000.

Bonham's disposed of European paintings for £58,260. Dressing for the Ball by Robert Herdman realised £4,200 and a landscape by Joseph Thomas £2,000. Christie's, South Kensington, had an unusual auction of bookbinding tools, which totalled £21,456. Top price was £380 for 46 small leaf tools for art nouveau designs. All told the tools averaged £2 each.

Christie's sale of oak yesterday made a total of £36,846.

SALEROOM

BY ANTONY THORNCROFT

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UK NEWS

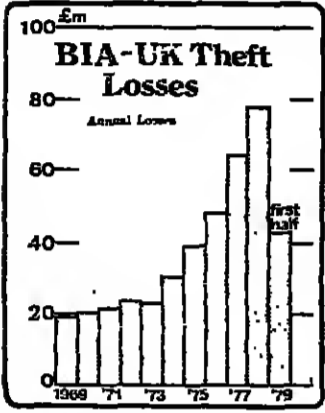
Insurance likely to cost more

BY ERIC SHORT

THE COST of insurance claims arising from thefts continued to rise during the first half of this year, but at a slower rate according to figures issued yesterday by the British Insurance Association.

The amount paid on theft claims by insurance companies operating in the UK during the first six months of 1979 was £43.1m compared with £41.1m for the first half of 1978—a rise of 5 per cent. The total of losses from theft in 1978 reached £78.2m.

Mr. Pat Bartram, chairman of the association's Crime Prevention Panel said the significant feature was that the rate of increase of theft claims was much less than increases over



the past five years, which varied between 26 per cent and 34 per cent.

Claims under household policies, reached a total of £20.9m. This was again the greatest single source of losses and was 8 per cent higher than for the corresponding period last year. But losses under All Risks policies—insurance for the more valuable of personal possessions like jewellery, furs and cameras—jumped by 14 per cent to £7m.

Figures for business insurance were more encouraging. Losses on Money and Commercial Insurance both fell during the period to £21m and £9.4m respectively, while claims on goods in transit rose by 8 per cent to £3.7m.

Plastics loses £300m a year, says NEDC

BY ELAINE WILLIAMS

THE UK plastics processing industry is losing £300m a year in output because of inefficiency, according to a National Economic Development Council study published today.

Machinery is out of action too often and there is excessive overtime because of manpower shortages, according to the report's analysis of the industry's problems.

The study, which it is claimed reflects the plastics industry's own view of its manpower and efficiency, says that the industry is losing £300m in lost output because machines are out of action for 15 to 20 per cent of the time.

The plastics processing industry is a rapidly growing one, though it is a very diverse

sector varying from plastics packaging to injection moulding. The industry's output is worth about £3bn a year.

...NO 31...8/81

A shortage of skilled manpower in the sector has been caused by relatively low wages. The NEDC is seeking a review of pay structures within companies to ensure that levels of skills and responsibility are adequately recompensed.

In addition, management is urged to give more attention to production planning and control to use machines more efficiently.

Because the industry contains many small to medium companies, the NEDC has called for the training of multi-skilled engineers whose employment would cut across present demar-

cation lines. Such organisations cannot afford to employ three separate people to do, say, jobs in mechanical, electrical or electronic engineering. They want individual engineers trained in all three disciplines.

The NEDC says that trade unions within the industry have given full backing to the study and it hopes that all the recommendations made in the report will be implemented.

To achieve this, the NEDC is devising a "comprehensive communications plan" which will include a series of regional seminars, company visits and the production of a version of its study to be distributed throughout the industry. The present report has been sent out to 2,000 organisations.

Royal Commission report attacked by conveyancers

BY ANDREW TAYLOR

THE NATIONAL Association of Conveyancers yesterday strongly attacked recommendations contained in the report of the Royal Commission on Legal Services which the Association denied would give the legal profession a complete monopoly on the £500m-a-year UK conveyancing business.

The Association criticised a majority recommendation of the Royal Commission report which would extend present restrictions on non-solicitor convey-

ancers to cover the preparation of contracts for sale of land.

Mr. David Ashford, a founder of the newly-formed conveyancing association, said that this would effectively force all non-solicitor conveyancers out of business.

He said: "I am confident that no Government would attempt to crush competitive conveyancing firms in this manner. But we shall be strongly lobbying MPs and the public about our case."

Mr. Ashford, a senior partner

of Ashford Conveyancers, three years ago fought a successful High Court battle to give "non-solicitor" business the right to carry on most aspects of conveyancing work—except for the drawing up of transfer documents.

The National Association of Conveyancers was formed in April this year. Members are required to carry insurance against losses and for their accounts to be regularly audited.

New Covent Garden volume up 7%

BY CHRISTOPHER PARKES

TRADERS in the New Covent Garden Market at Nine Elms handled more than £182m worth of fruit, vegetables and flowers in the financial year ended March 31.

The market managed to raise its throughput of fruits and vegetables by 7 per cent despite a number of problems including the road haulage strike; mountains of refuse and the dangers of ice which built up during the local authority wor-

kers' disputes; and glutts of cheap produce.

Turnover on flowers and plants rose 20 per cent.

In the four years since the market was moved to Nine Elms total turnover on fruit and vegetables has more than doubled.

And after what the Market Authority's annual report described as "in many respects a highly satisfactory year," there was a surplus of £23,000 topped up with an extra £26,000 result-

ing from adjustments to previous years' figures. Profit in 1977-78 was £19,000.

By the end of the year all but 2 per cent of the market trading space was let. Of the 180,000 square feet of space in Market Towers, the centrepiece of New Covent Garden, only 2,000 square feet remained un-tenanted.

All the space in old Covent Garden, north of The Strand in central London, was either empty or let under offer.

Proposals to improve maths teaching

By Michael Dixon, Education Correspondent

FOUNDATIONS which could be used to establish national standards for teaching basic mathematics are laid down today in a report by the State's Schools Inspectorate.

Although the inspectors express their views merely as "suggestions," the report's proposals are detailed enough to be translated into national standards by the Cockcroft Committee on school maths, which is expected to complete its work next year.

The inspectors' politic language does not conceal signs that, in many cases, the teaching of mathematics to children aged five to 11 is in a parlous state.

Both highly able and ordinary children are suffering, the report indicates, because "too many teachers have to teach mathematics without knowing enough about the subject, or about current ideas of teaching it."

Older

Lack of maths understanding among primary-school staff is also associated with widespread failure to teach basic numeracy by "progressive" approaches, such as mixed-ability classes and integrated studies, in which maths is mingled with various other topics.

In contrast, the inspectors emphasise the aims of older approaches.

By the age of seven or eight, they say, most children should have absorbed their multiplication tables up to 10 times five.

"Facility with mental arithmetic is as important as ever," the report says. But today there is also need for a full understanding of the mathematical processes used in the working world, and for ability to make a rough mental estimate as a check on the "answer" thrown up by the calculating machine.

The inspectors also guardedly show support for coherent and systematic policies for teaching maths, and for tests to see whether children have attained the necessary skills, particularly at ages when pupils transfer from one stage of education to another.

Mathematics 5-11 — A Handbook of Suggestions, SO £2.75.

Four airlines may take State routes

BY LYNTON McLAIN

FOUR private airlines, Air Anglia, British Island Airways, British Midland Airways and Dan-Air launch joint proposals on Monday for taking over some of the 26 internal air routes to be dropped by British Airways.

The State-owned airline will name the routes to be cut today.

The routes likely to be affected include those from Jersey, Guernsey and the Isle of Man to the mainland.

A representative of the four airlines, which are expected to make a bid for the routes, said yesterday that British Airways' withdrawal, and subsequent delays at the Civil Aviation Authority clearing applications to take them over, "would have a disastrous effect on the communities affected and on holiday tour operators."

This prospect prompted the airlines to present a "united front" at any future applications before the authority, "to avoid open competition for the routes, which would only delay applications."

The airlines are to call on the authority to process their applications to take over the British Airways' routes as soon as possible.

The airlines' representative said the holiday tour operators needed to know well before the end of the year whether air services would run on the routes for next summer's tourist season.

British Airways said at the end of August, when its staff representatives and union officials were first told of the plans for "cutting routes, that it expected to lose a total of £8.5m this year.

Oppenheim opens drive to cut fireworks toll

FINANCIAL TIMES REPORTER

A CAMPAIGN to reduce the number of accidents involving children on Guy Fawkes night was launched yesterday by Mrs. Sally Oppenheim, Minister for Consumer Affairs.

Last year, nearly 1,000 people—mainly children—were in need of hospital treatment because of injuries caused by fireworks. This was the highest figure for five years, and took no account of injuries treated by family doctors or at home.

Mrs. Oppenheim said that she had embarked on a last-ditch publicity campaign to get people to behave in a responsible manner. "If we do not get a falling-off in figures this year, I will have to look very carefully at the possibility of legislation," she said.

The campaign is aimed at young adolescents. "To reach this group we will be issuing a range of publicity material carrying the message 'Never Fool with Fireworks' from Henry Winkler, the television actor who plays 'The Fonz,'" she said.

Posters are to be sent to every secondary school in the country as well as youth clubs and community centres. There will also be radio messages and television broadcasts.

Mrs. Oppenheim has also reached an agreement with fireworks manufacturers who have volunteered to reduce the explosive content of their products by 20 per cent after this year.

GLC grants for historic buildings

SEVEN HISTORIC London buildings are to receive grants from the Greater London Council's historic buildings committee.

A total of £10,626 will be given to a wide range of buildings including a little-known Queen Anne mansion in Stoke Newington, High Street and a series of news entrance arch-

ways in Kensington and Chelsea.

Mr. William Bell, chairman of the committee, said the grants were part of the council's effort to maintain the fabric of London's past. The annual sum available is £50,000. This year the GLC has also given £125,000 to the cleaning and restoration fund for Westminster Abbey.

Benson named as accounts 'watchdog'

SIR HENRY BENSON, former senior partner of City accountants, Coopers and Lybrand, has been appointed chairman-designate of the accountancy profession's new joint disciplinary committee.

The body, which starts its work next year, is the profession's response to the many criticisms of auditors, particularly those in large firms, in



Sir Henry Benson... another assignment

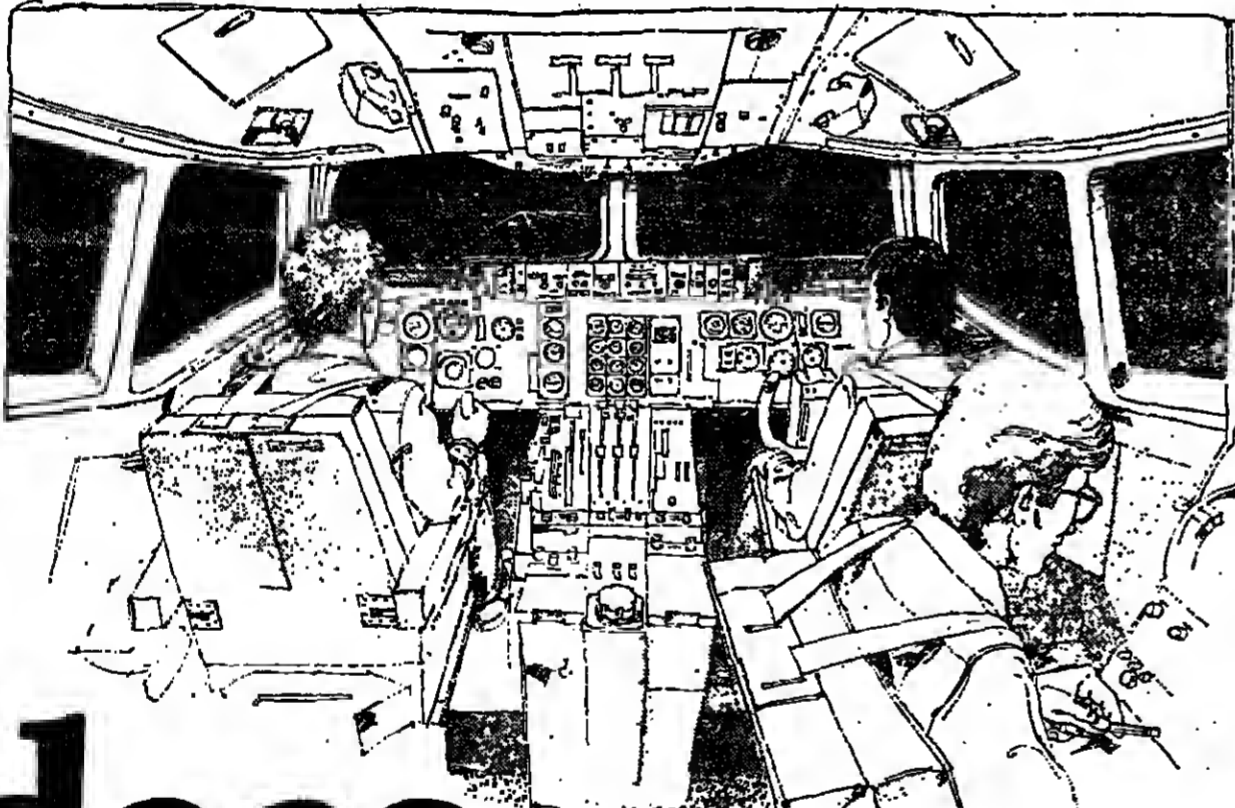
Department of Trade reports in recent years.

Sir Henry's executive committee will appoint committees of inquiry into all cases of public interest involving accountants. The executive committee will have two lay members, Mr. Ian Fraser, deputy chairman of Lazard, the merchant bank, and Mr. H. W. Higginson, former senior partner of the City solicitors, Herbert Smith.

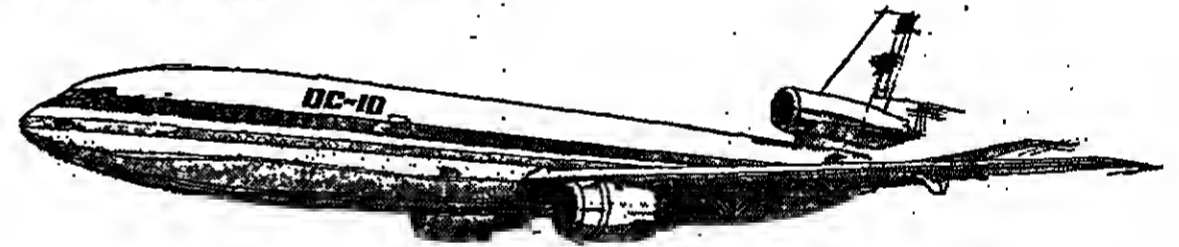
Sir Henry said yesterday that he was not aware of any cases awaiting the attention of the committee.

Trade figures delayed

The trade figures for September will be released four days later than scheduled, on October 16. The Department of Trade said yesterday that the delay was a result of recent industrial action by national data processing staff.



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مكناص الناحيل

Car sales expected to fall next year

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT.

SALES OF both cars and commercial vehicles in the UK will drop next year from the record levels expected in 1979 a group of industry experts predicts. However, they think the fall will not be as steep as that which followed the 1974 oil supply crisis.

The consensus of a group of commentators at a seminar organised by Ronald Sewell and Associates was that the British motor trade in 1980 would experience "more a hiccup than indignation."

Mr. Peter Kettle, economist for the Society of Motor Manufacturers and Traders, said car registrations in 1979 should reach a record of 1.67m (compared with 1.66m in the previous peak year of 1973). He forecast commercial vehicle sales would be 305,000, marginally above the record figure of 300,000 in 1973. The SMMT forecasters expect car sales to fall 10 per cent next year to 1.5m.

Mr. Kettle and other speakers said the expected slowing down of the growth in consumer expenditure in 1980 would be a major cause of the fall. A combination of high inflation and rising unemployment would make people unwilling to take on more debt and would stimulate savings.

The squeeze on corporate profits was also expected to influence the car market's relative weakness next year. However, Mr. James Morrell, director of the Henley Centre for Forecasting, pointed out that the growth of leasing—which

enables companies to smooth out cash flow—would help prevent a serious collapse in demand.

Mr. Graham Turner, the journalist who has made a special study of the industry, believed that car fleet buyers would not defer planned purchases next year. The bad news in 1975-76 that the extra cost of service and maintenance and greater depreciation of older cars more than offset any potential savings from a postponement of buying new cars.

He also suggested that the introduction of new models of cars next year would help stimulate demand from private purchasers.

Mr. Lionel Altman, past president of the Motor Agents' Association, believed the outlook for 1980 should not be too

peasimistic although sales might to some extent be made at the expense of profitability. Other speakers warned that the motor manufacturers were likely to make three price increases in 1980 instead of the usual two.

	1977	1978	1979*	1980*
Cars	1,323m	1,591m	1,67m	1,5m
Commercial	225,222	254,285	305,000	260,000

* SMMT forecasts.

It was also said that the market could be badly disturbed by the threat of Government action to discourage the use of the company car as a "perk." It was extremely unlikely that this would be implemented all at once in next year's Finance Bill, but it was felt that traders should at least have a contingency plan.

The SMMT forecast for commercial vehicles in 1980 is that registrations will drop 15 per cent to 260,000. This would reflect the low level of economic activity expected next year in the UK and the squeeze on corporate profits.

At the same time, demand for commercial vehicles in the UK in the past two years has been very high and the average age of company fleets has been reduced. This reduces pressure for the replacement of vehicles.

GLC launches major drive for Maplin

THE DEBATE OVER LONDON'S THIRD AIRPORT

BY ANDREW TAYLOR

THE GREATER London Council has launched an intensive campaign to persuade the Government to build a third London airport at Maplin on the Essex marshes at the mouth of the Thames Estuary.

The GLC today publishes its own case for supporting the choice of Maplin in the first of a series of reports due to be published by various bodies in the next few weeks on the highly controversial issue of where to site London's next airport.

The study group established by the Advisory Committee on Airports Policy to investigate six possible sites at Hoggston, Yardley Chase, Langley, Stansted, Willingale and Maplin is expected to present its report to the Government this month.

Further studies are also being undertaken by Essex County Council and, in conjunction with Essex council, the GLC has appointed consultants Sir William Halcrow and Partners to take a further look at "specific aspects" of the Maplin site.

The GLC's report by its own officers is certain to increase the temperature of an already intense debate with environmentalists, economists, local protection groups, and their like, queuing up to add their weight to the various arguments—if they have not done so already.

Under the GLC proposal Maplin would be developed as an airport with two distinct hearts—with the traditional bureaucratic machinery such as baggage, cargo, customs and passport controls largely based a 45-minute train ride away in central London, and limited passport facilities, etc, at Maplin itself.

The GLC claims this two-centre plan—similar schemes are being considered by the New York Port Authority and Alitalia in Italy—could easily be supported by existing rail links connecting terminuses such as Liverpool Street and Fenchurch Street with the Maplin area.

These, it says, are already under-used for much of the day. There are 6m empty seats on passenger trains travelling between Fenchurch Street and Shoeburyness each year say the GLC. The adoption of a twin centre scheme at Maplin and London would bring new business for British Rail.

It also suggests that airport cargo facilities could be developed on waste land within the Royal Docks which are already linked to main line rail networks connecting with the Maplin area. Moreover, the GLC has invested money in the proposed rail tunnel under the

Thames at Woolwich which would link this part of docklands to the Southern Region railway network.

It argues that because of existing rail links and the existence of a major town in Southend "where there is a serious shortage of local job opportunities" that the cost of providing the necessary infrastructure to support a major airport would be much less at Maplin than at Stanstead—seen by many as Maplin's closest rival for the siting of London's next airport.

The GLC argues that the high cost of providing extra housing and railway links to Stanstead would mean that the final price for a major airport development at this site would be about the same cost as that for Maplin—£360m, excluding the cost of new airport buildings which would be applicable to both sites.

This, says the GLC, is even though Stanstead already has an airport "of some sorts" and the 5,000-acre Maplin site would require the removal of a defence establishment at an estimated cost of £200m.

But the basis of the GLC's estimates—such as to what degrees existing rail and road services to Maplin would need to be extended to cope with in-



creasing airport traffic — is likely to create further debate. The council's main argument in favour of Maplin is that this site, to the east of the city, is essential for the economic and social future of the city.

It says that Heathrow airport to the west of London has been a major catalyst in attracting new business, industry and prosperity to the area. Maplin would counterbalance this effect.

Maplin, because it lies at the eastern end of the Thames corridor could with its associated rail and road links, contribute powerfully to the revitalisation of the docklands and inner East London, help the great industrial areas further downstream on the north side of the Thames and provide much-

needed jobs in both East London and South Essex."

The GLC says that a two-centre airport development would in the initial stage create 16,000 jobs spread equally between centres in London and at Maplin. In the final stage the airport would create a total of 54,000 jobs.

It is more desirable, says the Council, to situate the airport on an offshore site such as Maplin rather than on any other possible inland site.

The GLC has firmly nailed its colours to the mast but clearly this battle over where to site London's third airport—which has continued for 25 years—is a long way from being over.

Mint rations proof sovereigns

BECAUSE OF exceptional demand, the Royal Mint will limit the new proof sovereign to one per order, instead of two as previously announced. Buyers of collectors' coins who were on the Mint's mailing list before September 25 will have priority. If the demand is greater than the number of coins available a ballot will be held.

Marubeni to open in West Scotland

BY RAY PERMAN, SCOTTISH CORRESPONDENT

MARUBENI CORPORATION, the third largest industrial group in Japan, will open a trading office in East Kilbride, Scotland, and it could start manufacturing plants in the area as well.

Mr. George Young, managing director of East Kilbride Development Corporation, said yesterday that he was negotiating with two of Marubeni's associate manufacturing companies interested in taking factory space.

The Japanese corporation, which had a 1978 turnover of \$28m and trading profits of \$767m, has 270 subsidiary and associate companies in electronics, steel, engineering, chemicals, textiles and other fields.

Setting up an East Kilbride office follows two visits to the town by Mr. Tallechiro Matsuo, Marubeni's president. It will act initially as an import-export agency for the parent group, but it has also the responsi-

bility for investigating direct investment opportunities.

Hitachi, one of Marubeni's manufacturing associates, reserved factory space in East Kilbride in 1970 intending to produce televisions. It withdrew after opposition from trade unions and the Government.

Mr. Young said that Marubeni had invited him to visit Japan in November to discuss establishing manufacturing plants in west Scotland.

"Marubeni Corporation is involved in a number of activities such as electronics, light engineering, and textiles which would suit a new town like East Kilbride very well," he said.

"I believe that a manufacturing plant will be established here in the near future and that Marubeni will be followed by some of its competitors from among the top nine Japanese corporations."

More Raleigh job cuts follow drop in exports

FINANCIAL TIMES REPORTER

CYCLE MANUFACTURER T.I. Raleigh said yesterday that it will have to cut another 250 jobs at its factories in Nottingham, Birmingham and Worksop. Although the UK market was buoyant and it expected record sales this year, the overseas market was shrinking. The company revealed losses of £1m when the half-year figures were announced in August.

Mr. Duncan Courtney-Taylor, personnel director, said that the strikes by the Confederation of Shipbuilding and Engineering

Unions were not a principal cause, although "anything that affects our profitability has some part to play."

In a statement sent to the workforce, the management said the overhead costs of the entire UK operation would have to be cut. The company has already axed 500 jobs. New shop floor and some staff jobs, including maintenance work, will have to go. It hopes to make the reductions by early retirement or transfers. The bulk of the cuts will be at the Nottingham plant.

Computer system takes hand-written orders

BY ELAINE WILLIAMS

A MAJOR British development has made it possible to write information by hand into a computer, instead of having to type it.

Quest Micropad, a subsidiary of the electronics company Quest Automation, says that anyone who can write will have access in any computer or communications system through the Micropad.

It is claimed to be the first handwriting terminal in the world. It is designed around a microprocessor which can recognise each handwritten character, convert it into a code, and transmit it to a main computer.

Quest Automation hopes that it will widen access to computers to unscientific people from the shop floor to the boardroom. It

claims that, at the moment, effective usage of computers is restricted to less than 5 per cent of the working population—those who can type.

Applications for the Micropad are wide. For example, hospitals could register patients directly from the original out-patient or casualty department's notes; supermarkets could check in goods immediately into the main computer when they arrive at the loading bay; and a shop could record sale details when a receipt is written.

The heart of the system is the microprocessor which recognises numbers, characters and commonly used symbols. As each character is written, it is passed to the computer. It can allow a wide tolerance in style and shape of handwriting.

Big rates increase forecast

FINANCIAL TIMES REPORTER

A FORECAST of increases in rates next year of between 14 and 40 per cent was made yesterday by Sir Gervas Walker, chairman of the Association of County Councils.

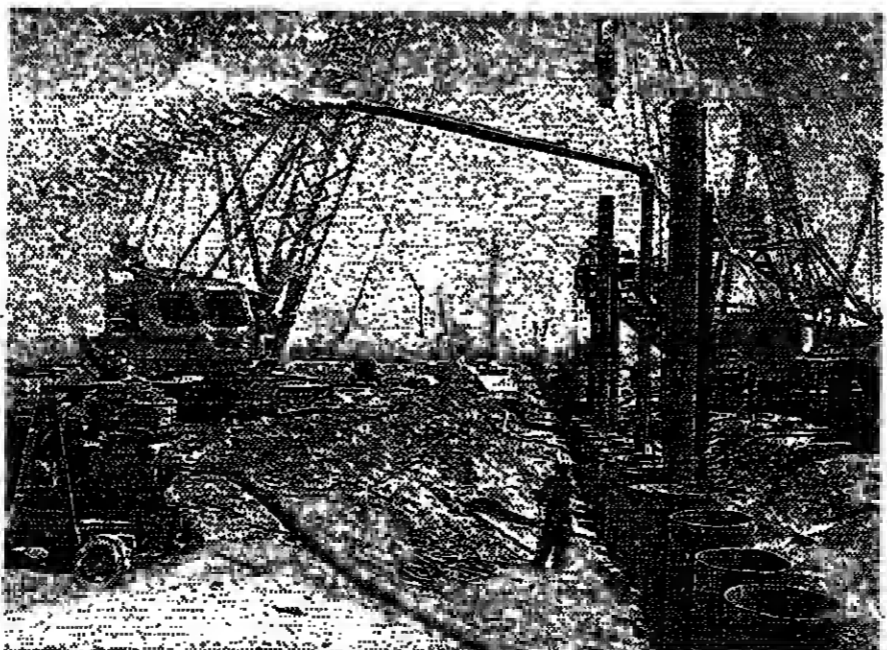
His prediction, made to the Rating and Valuation Association's annual conference in Harrogate, is the latest in a spate of similar warnings by local government leaders. Mr. Tag Taylor, leader of the Association of Metropolitan Authorities, said that there would be substantial rates rises next spring

to pay for large wage rises to municipal workers.

Mr. John O'Grady, council leader in Southwark, London, has forecast rate rises of more than 50 per cent in urban areas. Sir Gervas said the Government should consider the possibility of a two-year supplement to the Rate Support Grant. The key to lower government expenditure lay in slowing the rate of legislation and ending a "blanket approach" on subsidised school meals, concessionary fares and rents where need was not the test.



BICC—people who make things work in the Middle East



Construction of piles on the site of the deep water harbour complex of Jebel Ali in Dubai.

In the Middle East, as elsewhere in the world, BICC people and BICC products and services are playing an essential part in the establishment of a modern, industrial infra-structure. A 220 km long, 380 kV overhead transmission line in Saudi Arabia

from Yanbu to the Holy City of Medina; the construction of the immense deep water harbour at Jebel Ali in Dubai; the design, construction, commissioning and management of an electric cable factory for Ducaib, in partnership with the Ruler of Dubai; a marketing and sales organisation, BICC Middle East Limited, with a comprehensive branch network throughout the region. These are just some of the ways in which BICC people make things work in the Middle East.



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UK NEWS—LABOUR PARTY CONFERENCE

Extension of public ownership approved

A PROPOSAL for the large-scale extension of public ownership, including the state takeover of the major monopolies and financial institutions, was approved unanimously by conference.

British compulsory planning agreements with industry. The resolution urged the extension and reform of the National Enterprise Board and the establishment of a National Health Corporation to bring the pharmaceutical and medical manufacturing industry into public ownership.

That is the lesson we learned from the last Labour Government. Planning agreements have to be enforced by legislation. He believed that many of the necessary powers were contained in the NUPE resolution.

Mr. Arthur Leary, National Union of Agricultural Workers, proposed the nationalisation of land—the land that belongs to us.

The real issues facing the party were public ownership and the cuts in public expenditure. The main Labour objectives should be to restore the expenditure cuts and to take over the major monopolies and financial institutions.

There should be a state-owned British car corporation under the control of the labour and trade union movements, and with a capacity for producing 2m vehicles a year, he said.

1980s deadline set for radical reform of EEC

WITH THE cost of the Common Agricultural Policy about to go "through the roof" Britain has a better chance than ever before to secure a fairer deal from her EEC partners.

Lord Shinwell, secretary of the anti-European, "I just happen to be pro-Britain," he said. Mrs. Castle, in her final speech before stepping down from the NEC after being a member for 29 years, explained why she differed from "Menny".

This was the direct opposite of British needs, as had been recognised by those who voted "no" in the 1978 referendum. Since joining the EEC, said Mrs. Castle, Britain had had to give up buying her food in the cheapest markets and switched to the dearest, and had had to accept growing imports of German-manufactured goods.

Mr. Shore emphasised: "We don't want a Europe in which we are hemmed in by an unequal and unfair treaty. We don't want a Europe in which there is supranationalism and federalism. We are not going to be snuffed out as a people."

He urged that Labour MPs in the European Parliament should be integrated into the party organisation and given an opportunity to report back to the party at Westminster.

Microchip working party to be set up

A JOINT working party to study the social and economic effects of microchip technology is to be set up between the NEC, the Parliamentary Labour Party, and the TUC. A resolution approved by conference yesterday welcomed the technological progress involved in micro-electronics as a means of improving living standards.

Peach death anger

LABOUR'S NEW executive has joined the storm over the decision by the Director of Public Prosecutions that no one will be charged over the death of Blair Peach in the Southall riots last April.

Tories' proposals on unions challenged

A CALL for industrial and political action to defeat the Tory Government's proposals for trade union reform was made to the conference by Mr. Alec Kitson, deputy general secretary designate of the Transport and General Workers' Union.

Mr. Kitson was speaking on behalf of the NEC in reply to a debate on the Government proposals on the closed shop, secondary picketing and the introduction of secret ballots for unions.

But we are not going to accept that this is going to be written into the rules, that there have got to be secret ballots. Proposing the motion, Mr. Graphical Association, said the Government plans posed a challenge to the basic right to establish trade union organisations.

The conference also approved an emergency resolution on women's rights, condemning the Government's proposals to relax the Employment Protection Act.

Mr. Barry Jones, MP for Flint East, received a big ovation when he attacked the proposed closures at Shotton. He said there were 7,800 Shotton workers in his constituency.

Kinnock makes mark in Bevan tradition

BY PHILIP RAWSTORNE The Left has not only called the tune at this conference. It has also produced the most accomplished players. Mr. Neil Kinnock yesterday won the first truly spontaneous standing ovation with a fiery attack from the platform on the Government's education cuts.

Mr. Kinnock, a labourer's son, comes from the same Welsh valleys — he is MP for Bedwelly — and is obviously destined for the same political stardom. He has the talent to make the Tribune Group laugh and the Manifesto Group listen. Last year, he squeezed into a place on Labour's National Executive. This week, he came within 3,000 votes of displacing Mr. Tony Benn from the top of the constituency list.

Private schools warning

FINANCIAL ASSISTANCE provided from state funds to enable parents to send their children to fee-paying schools will be cut off at the first opportunity by the next Labour Government. In a speech which won a standing ovation, Mr. Neil Kinnock, the shadow Education Minister, told conference that letters giving official warning of this intention would be sent to education authorities and the headmasters of public schools likely to participate in the Government's new assisted places scheme.

Party urged to fight BSC closures

THE CONFERENCE approved a call for immediate action to stop the destruction of communities by the closures being proposed by the British Steel Corporation, particularly that at Corby New town, in Northamptonshire. The motion, from Kettering Labour Party, said that the threatened closure of iron and steel making in Corby would have a disastrous effect on the town and on communities for miles around.

Party urged to fight BSC closures

Mr. John Silkin, Labour's industry spokesman declared: "This is not just about Corby. It is about the whole future of British industry." The whole of regional policy was dependent upon steel, as were the British shipbuilding and motor industries.

COMPANY NOTICES

BRITISH ELECTRICITY 3 1/2% GUARANTEED STOCK 1976/79 ERRATUM In the Notice recently issued to holders of the above Stock, it was stated that redemption money will be payable on 15th November, 1979, to the persons who are registered as holders of the Stock on 11th October, 1979. This date was a misprint and should have been 12th October, 1979. Bank of England, New Channon, London, EC4M 8AA.



Hands up at the Labour Party conference: Speakers Lord Shinwell (top), Mrs. Barbara Castle (middle) and Mr. Peter Shore (lower).



"Instead of 'The Red Flag' the Treasurer wants us to sing 'Brothers Can You Spare A Dime?'"

FOOD PRICE MOVEMENTS

Table with columns: Item, October 4, Week ago, Month ago. Rows include BACON, BUTTER, CHEESE, EGGS, BEEF, LAMB, PORK, POULTRY.

BANK RETURN

Table with columns: Liabilities, Assets, Increase (+) or Decrease (-) for week. Rows include Banking Department, Issue Department.

Tory spots 'Marxist moles'

'MARXIST MOLES' are burrowing ever deeper into the Labour Party with the ultimate aim of destroying Cabinet government in Britain, Mr. Michael Latham, Conservative MP for Milton, warned yesterday.

Conference reports by Richard Evans, John Hunt and Ivor Owen. Pictures by Roger Taylor.

مركزنا النجف

UK NEWS—LABOUR

Tory workers reject maternity law change

BY ELINOR GOODMAN, LOBBY STAFF

TORY TRADE unionists will urge the Government to drop plans for exempting small companies from the maternity provisions of the Employment Protection Act.

In a broadsheet, to be published during next week's party conference, the Conservative Trade Union Group will also tell the leadership that, while it welcomes the broad shape of Government proposals to amend labour laws, it is unhappy about some aspects.

The group will give wholehearted support to proposals for controlling the closed shop. But it will argue that the ideas for the State funding of secret ballots, put forward in a consultative document in July by Mr. James Prior, Employment Secretary, do not go far enough.

The group apparently feels that the Government should not merely offer to finance postal ballots, but should also press the unions to change the rule books so that members have a right to insist on secret ballots where they are dissatisfied with an open vote.

It is likely to endorse fears expressed by some employers' groups—as well as the TUC—that plans for controlling

secondary picketing may prove a threat to peaceful picketing. The group says that plans for limiting trade union immunity from civil damages for inducing breaches of contract might affect peaceful picketing at the place of work as well.

The most outspoken criticism looks like being directed at the latest proposals for amending the maternity provisions of the Employment Protection Act to exempt small companies from obligation to keep women's jobs open while they have babies.

It is understood to have decided that it would be a highly retrograde step to allow

small companies to treat pregnant women any differently from large companies.

Lord Gowrie, Employment Minister, said yesterday that the Government wanted to create jobs, not attack employment protection, through its proposals for change in labour law.

Addressing businessmen in West London, Lord Gowrie said there was a feeling that the present maternity provisions worked against the interests of women. There is little point in protecting women with legislation if the effect of this is to rob them of jobs.

West End parcels halted

NO PARCELS have been accepted by the Post Office in the West End of London for the past 10 days because of an overtime ban by postmen in the West Parcel Office.

The Post Office said yesterday that the postal districts affected were W1, W2, W4, W6, W8, W9, W10, W11 and W14. Parcel posting in the rest of

London has been unaffected. The severe staff shortage in sorting offices throughout Central London continues, with mail deliveries considerably delayed in some areas.

The root of the problem, says the Post Office, is attracting low-paid staff to work in areas in which they cannot afford to live.

ITV 'not prepared' to improve pay offer

BY GARETH GRIFFITHS, LABOUR STAFF

INDEPENDENT Television companies say they are not prepared to increase substantially any pay offer for the 9,000 staff involved in the dispute which has blacked out screens for the past two months.

Thames Television said yesterday that its pre-tax profits fell by more than £2m during the financial year ending June 30—from £2,652,000 to £2,562,000. Company executives said the drop showed they could not afford to pay more than the present two-year offer, worth an estimated 37½ per cent.

Mr. Alan Sapper, general secretary of the Association of Cinematograph, Television and Allied Technicians, said he did not expect other ITV companies to show lower profits.

"Thames is not typical of ITV companies. It has seen a lot of management changes over the past 18 months, and the new managers have not yet properly settled in. In the period 1975 to 1978, Thames profits rose 195 per cent, dividends by 212 per cent and ACTT wage rates by 46 per cent. It is time for employees to have their share," he said.

The ACTT negotiating committee met yesterday to work out a formula for a settlement to put to the Independent

Television Companies Association. Mr. Sapper did not give details, but he said there were no financial inhibitions on the companies. He said ITV was a Government-granted monopoly, and advertising agencies already expected rates to be increased by 30 to 50 per cent.

Mr. Jack Wilson, general secretary of the National Association of Theatrical, Television and Kine Employees, said last night he thought it was time to return to the idea of a one-year settlement. In spite of the deadlock, there was the possibility of fresh talks with the Independent Television Companies Association.

Both NATKE and the ACTT have rejected the ITV offer by votes of more than 4-1. The Electrical and Plumbing Trades Union shop stewards have also rejected the offer. All three unions are unhappy at the idea of a two-year deal, and the threshold payments formula.

There were suggestions last night that the unions are prepared to ask for separate settlements. Until now, the ITCA has insisted on a joint agreement.

But with the possibility of local deals on technology, union officials feel there is room for a more flexible approach.

ENGINEERING SETTLEMENT

Breakthrough on hours

BY CHRISTIAN TYLER, LABOUR EDITOR

YESTERDAY'S settlement of the engineering dispute marks the most important trade union breakthrough on working hours in Britain for 15 years.

The engineering unions have succeeded in puncturing the 40-hour standard week for manual workers where their counterparts in West Germany failed earlier this year despite mounting the longest strike in post-war German history.

If, as British employers fear, the shorter week is now pressed right across industry, the UK will be the first major West European country—after Belgium—to give in to the trade union pressure which has been building up as unemployment totals climb in all the EEC countries.

This is despite the fact that British manual workers put in more overtime—it is about six hours a week in engineering—than those in any other EEC country.

There have been one or two special concessions already: underground miners work a standard 37½ hours, and Post Office engineers recently won the same. Nurses have been promised shorter hours, again of 37½, by 1981. Otherwise, it is mainly white-collar workers who are contracted for less than 40 a week. Some of them may

now seek to maintain their differential over manual grades.

Forty hours appears to be standard in every West European country but Belgium, where oil and chemical workers were the first to breach the dyke. The Belgian Government subsequently conceded 38 to public sector workers, phasing down to 36 by the end of 1982 and tied to compulsory recruitment targets to offset unemployment. About a third of all Belgian workers have benefited so far.

Resistance

In France, the reaction of employers has been varied. Although the 40-hour standard is being eroded, employers are resisting demands for a straight cut, and offering longer holidays, new shift patterns or buying out overtime instead. They have turned to the concept of the "annual hours budget" rather than bargaining against standard working weeks.

The West German strike, called by the 2.7m-strong metalworkers' union, IG Metall, in pursuit of a 35-hour week, was settled with the offer of a phased introduction of six weeks' holiday, earlier retirement and extra free time for shiftworkers and older employees.

Employers in the Federal

Republic secured a guarantee that the 40-hour standard would last at least until 1982-83, five years from the outbreak of the dispute.

Their successful fight against IG Metall had a powerful restraining influence on the Engineering Employers' Federation in Britain, as well as diverting union claims in Denmark and the Netherlands. Italian union negotiators, too, are reportedly accepting employment guarantees and the reinstatement of public holidays dropped from the calendar in 1978 rather than press for hours off the week.

Yesterday's events will be seen in retrospect as the first enactment of a policy decision taken many years ago by the TUC, adopted by the European Trade Union Confederation, and pressed in this country mainly by the Transport and General Workers' Union.

They could also help fulfil a long-felt ambition for single status among British workers—an ambition voiced most strongly by Mr. Terry Duffy, president of the Amalgamated Union of Engineering Workers, whose authority will be enormously enhanced in trade union eyes by the Gatwick agreement.

Seamen agree stoppage against workforce cuts

BY OUR LABOUR STAFF

SEAFARING unions have agreed a one-day world-wide stoppage as part of a campaign against attempts to reduce ship manning levels.

A conference of the seafaring section of the International Transport Workers Federation agreed the move in Stockholm. The date of the strike will be decided by the federation's executive, but could be many months away.

The decision reflects growing concern by the unions at legislative changes in some countries allowing reduced ship manning levels and what they believe to be a general trend within shipping companies to try and cut their workforces.

Union officials argue that some of these changes, particularly in Scandinavia, will affect

safety. Although unions complain that British companies have been trying to reduce manning levels, they say that this has not caused problems of the kind experienced by unions in other countries.

The Stockholm decision was taken by unions representing officers and ratings.

New airline strike threat

By Our Labour Staff

British Airways is in dispute with its workforce at London and Heathrow over London weighting allowances. A mass meeting may be held next Friday and the possibility of a one-day strike will be discussed.

TWA announces Airport Express. Now you can get a boarding pass without even going to the airport.

You only have to spend five minutes at the airport to see how crowded it gets these days.

At certain times of the day you can see as many as 30 people queuing at every available check-in desk.

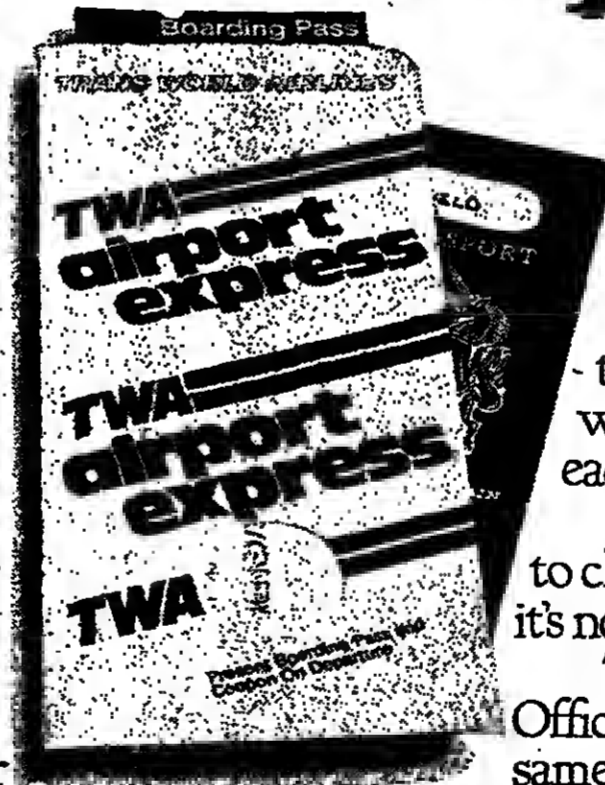
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FINANCIAL TIMES SURVEY

Friday, October 5 1979

Greater Manchester

The industrial base of Greater Manchester has already undergone a major transformation in the past decade but new technology is expected to bring further changes. The county is hoping that a big contribution can be made towards attracting new investments and reviving older areas by a new body, the Greater Manchester Economic Development Association which, operating through a commercial company, will seek to bring together public and private funds for investment.

Flexible style for new agency

By Rhys David
Northern Correspondent

A NUMBER of high hopes ride on the Greater Manchester Economic Development Association, which is to be launched today. Though not quite on the scale of the Manchester Ship Canal, the ambitious project, commissioned by businessmen and civic leaders at the end of the last century with the aim of giving Manchester its own port, the association is nevertheless a fairly novel departure for a local authority.

Set up to operate by commercial criteria, through a company called Greater Manchester Development Corporation, the new body will be trying to show that public and private enterprise working together can play a significant part in revitalising the economy of Britain's first industrial region. It will also be intent on demonstrating that a local authority body need not necessarily tie itself in bureaucratic knots before moving into action but can react quickly and flexibly to the needs of its clients—in this case existing and poten-

tial business and industry in Greater Manchester.

With an initial budget of £5m from Greater Manchester Council the development association will be empowered to give grants and loans to industry, to carry out its own estate development, to improve sites and develop necessary infrastructure, and to advise industry generally.

The association—which will have a board of 30 members drawn from the county, the metropolitan districts within the county and from industry, unions, and other regional bodies—is hoping, however, that this initial capital can be used to a large extent to get schemes under way which will then attract substantial further support from the private sector.

Particularly in the development of new estates and in the improvement of older properties—possibly the main activity into which association will be drawn—it is intended to seek suitable partnership arrangements with private concerns on a continuing basis or for particular schemes.

The background to the Greater Manchester initiative, which is being carried out under Section 132 of the Local Government Act—a clause empowering local authorities to devote a fixed rate proportion to projects in the public interest—is the now familiar catalogue of problems faced by all of Britain's major cities.

For reasons which are not entirely clear Greater Manchester has been losing jobs at a higher rate than the rest of the UK during recent years. In the ten years up to 1975 the total fell by ten per

cent compared with 2 per cent nationally, and the total loss came to 131,000 jobs of which 121,000 were male jobs.

Even without the new surge in job losses which is likely to show through over the next two-to-three years as a result of the UK's loss of international competitiveness in a variety of important industrial sectors, the number of school leavers seeking employment over the short term is set to increase; and on the most optimistic assumption it is still expected that by 1986 there could be a job shortfall in the region of up to 150,000.

Bias

At the same time the economy of the area remains biased towards declining industrial sectors despite the major contraction that has already taken place in industries such as textiles and heavy engineering. Partly for this reason earnings have tended to be lower than the national average and below those of other important conurbations in the north.

The area still carries, too, the physical marks of the rapid growth of industry in the 19th century. Though new industrial estates have been built, particularly on the periphery of the area, many companies are still operating from poor and inadequately serviced older sites. Companies seeking to expand in the area are faced with a shortage of good quality modern single or two storey accommodation while old mill property, much of it unsuitable for modern industrial occupation remains a glut on the market.



New processes and products are among the constant developments going on in the Workshop of the World. Here staff at ICI's Organics Division test a new acid diestuff for its suitability for carpet printing

The decline in job opportunities and the poor conditions in which industry has had to operate has resulted in movement of population from the heart of Manchester and Salford to other parts of Greater Manchester and to the new towns in Cheshire and Lancashire. There has also been movement on a smaller scale from the centres of the old mill towns, Rochdale, Oldham, Bury and Bolton, to the surrounding areas.

Those left behind in the inner areas are very often the unskilled who themselves often find it difficult to obtain work while, paradoxically, the big employers that have remained are short of skilled labour. It is a problem which the government through its partnership schemes with the local authorities is itself trying to solve and as yet there seems no evidence that the present administration will substantially downgrade the emphasis placed

by its predecessor on revival of the inner city areas.

The association will be operating in much the same field with the inner areas the main focus of its attention too. And although it has initially encountered the suspicion of the two district authorities already embraced in a partnership scheme with the government—Manchester and Salford—it is hoping to show that it can play a distinctive and complementary role in the revitalisation process.

The type of role which it could play has become clear from a number of projects in which the association has already become involved before its formal launch. Automotive Products, which in February suffered the destruction by fire of a major factory at Bolton, was anxious to redevelop in the area but wanted to undertake the development itself. For £750,000 the association bought a site considered suitable by the company from a firm of industrial developers and sold it to Automotive Products for £500,000.

The deal, though it represents a loss for the association, has ensured that the company has gone ahead with its rebuilding within the county. The loss is being partially offset, too, by a £100,000 contribution from Bolton Council.

The association will have a continuing role to play in seeing that big projects of this sort are encouraged to move or stay within the area, but the main effort, at least initially, is likely to go on the building of small factory units which are now seen as increasingly likely

to be the main job creators in the inner city areas.

Though several of the district authorities have their own factory building programmes, the public funds available are limited. Furthermore, though demand for this type of property is generally strong, the big financial institutions are usually reluctant to become involved in the management of small units.

Lease

The association believes it will be able to offer a way around this problem. It has approached the institutions suggesting that if they are prepared to fund such developments it will arrange for the local authorities in the area to lease the development and manage it. The association's role would be in setting up the deal and bringing the parties together.

The association will also be building up a small land bank of its own and has already taken over two major sites from Greater Manchester county. As a general rule however it will want to avoid tying up too much of its own capital in this way. The aim will be to release any land—as soon as possible after development or site preparation has taken place—to the private sector, so as to use the funds obtained for further work. At each stage the association will be trying to use its own funds in a pump-priming role to bring in further capital from outside.

In response to requests from the districts, the association has

also commissioned several studies into possible re-use of old mills which, in the county as a whole, currently account for about 5m square feet of vacant industrial floor space. The conclusion in most cases is that the cost of refurbishment is too great to be economic, but the studies are proving valuable in helping to build up a dossier of evidence on old mills.

The association is putting aside £500,000 this year for work on clearing up industrial dereliction, and one possible extension of its activities at a later date could be into partnerships with the public undertakings in the development of the vast amounts of land they control in the centre of Manchester as in other older cities. The port of Manchester, for example, owns hundreds of acres which could be brought forward for development in this way.

At present, however, as Mr. Les Boardman, the association's general manager, points out, there can be no clear idea of which of the various services the association is offering will be in demand. "We will be trying to find out from industry what it is they require whether it is new premises, more spending on infrastructure or some other priority, and we will be trying to help provide it. We will also be seeing if we can harness the wide range of expertise available in this area and in the universities and in the major companies to help firms wanting to expand."

In carrying out its activities the association will be working

CONTINUED ON NEXT PAGE

INDUSTRIAL RE-DEVELOPMENT: A Partnership for the Future...

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The concept of partnership is one essential feature of these operations, particularly in relation to estate development and improvement schemes. It will work in a variety of ways but its ultimate aim is to bring together the private and public financial elements of any project when they are needed most—at the outset.

Service

In addition, there are other advantages to prospective re-developers. For example, the Company concentrates its efforts on two broad areas: estate building and development and improvement or conversion of existing sites. This means that new businesses considering moving into the area will be able to look at sites that have already been identified for re-development. Specialist advice on the availability of grants, planning assistance and loan guarantees are all part of the comprehensive service.



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The Greater Manchester Economic Development Corporation is a reality: it is at work now. Several projects are in hand and many more are being studied. It has a firm commitment to the economic development of Greater Manchester. In working toward this objective the Company is offering exciting new opportunities for the future. Become part of this future, now.

For details, please contact:

Fred Morton
Greater Manchester Economic
Development Corporation Limited
Bernard House, Piccadilly Gardens, Manchester M1 4DD.
Telephone: (061) 247 3819

Greater Manchester Economic Development Corporation Limited

GREATER MANCHESTER III

Electronics lead still maintained

A BIG CELEBRATION took place in Manchester last year to record the anniversary of one of the firsts the area is most proud of. It was 30 years earlier that the first stored-program computer had been successfully tested in the laboratories of Manchester University, heralding the beginning of the computer age.

That development, taken together with work done ever since in laboratories around the world, has had a profound effect on lives in all five continents, but it also paved the way for the large and still-growing stake in modern electronics which the Manchester region now has.

At university level, the departments of computer science and of computation in Manchester University and its daughter institution UMIST are each among the biggest departments of their kind anywhere in the UK and possibly in Europe. At computer industry level the workshops at West Gorton established by Ferranti—Manchester University's early collaborator in computer development—have since passed to ICL, Britain's big mainframe manufacturer, and now form part of one of the biggest production centres.

The company currently employs more than 4,000 people in Greater Manchester in design and development, manufacture and assembly of multi-layer printed circuit boards, and machine assembly and testing and in the past year has built two new factories — at Plymouth Grove, Ardwick, and at Ashton-under-Lyne.

The new factories are intended to take manufacturing and assembly activities away from West Gorton which is to be rebuilt as a major centre for the design and development of advanced computer technology and systems. Work on this project is due to begin shortly and to be completed by 1981. The Plymouth Grove factory opened this August and will concentrate



Micro-circuit assembly at ICL's computer development centre in West Gorton. The centre's main purpose is to speed development of new large-scale integrated circuits for use in future ICL computers.

on the manufacture of multi-layer printed circuit boards used in ICL's 2900 series and will employ 470 people. The Ashton factory provides assembly and testing facilities for ICL's 2900 series and when fully operational later this year will employ more than 900.

Specialist

In computer usage Manchester is again almost certainly the biggest single UK centre outside the London area. Major installations are operated by a number of big companies with headquarters or very important divisional offices in Manchester—Tootal, Turner and Newall, ICI and Ciba-Geigy. Among the big banks, Trustee Savings Bank and Barclays have very big computer bases in the area, as, too, do GUS and Shell. Other important specialist users include Manchester Airport, and in Warrington, British Nuclear Fuels.

The region is also an important sales and service base with both IBM and Univac maintaining important Northern headquarters in Greater Manchester. The task of instructing and advising business and industry in the use of computers and of

ensuring adequate levels of training and education in computer technology is carried out nationally from Manchester by the National Computing Centre, a Government-backed body supported by client fees and research grants.

The area, too, is already playing a major part in the efforts now being made to ensure that Britain keeps up with its international competitors in the adoption of the latest advances in electronics—micro-processors. Ferranti is already heavily engaged in the manufacture of large-scale integrated circuits in Manchester. Just as importantly, UMIST through a new micro-processor applications unit, is trying to help industry acquire the technology needed for adding micro-processor refinements to products and processes.

The area's early involvement and subsequent participation in the rapid growth of the computer industry was the result of a gathering together in Manchester shortly after the war of a number of key electronics specialists, several of whom had worked in wartime radar development.

Ferranti, one of a number of big electrical engineering groups in the area, was given a five-year government contract in 1948 to co-operate in the manufacture of a production version of the early university computer and in 1951 the first mark one model was installed in Manchester University and made available to outside users wishing to buy time.

Further co-operation with Ferranti in the 1950s led to the development of the Mercury and Atlas machines, the latter coming into service in 1962 and at the time reckoned to be the most powerful computer in the world.

The direct collaboration in model development between industry and Manchester University's Department of Computer Science (established in 1964 as a separate entity from electrical engineering) has diminished since Atlas, though a high level of co-operation on specific problems is maintained. Ferranti's own computer interests were merged with those of other UK groups into ICT (later ICL) in 1964, and

in the development of a subsequent big machine to follow Atlas the 2900 series, ICL decided to move along somewhat different lines from the university which was then embarking on its MU5 computer. The highly-successful 2900 series nevertheless owes much to MU5.

With the enormous developments that have now taken place in computers, the university's computer science department inevitably has had to concentrate on areas of special interest to it even though numbers have grown to more than 30 staff and four professors. The department is nevertheless currently designing its new MU6 successor to MU5 and has been given £70,000 by the Science Research Council to look at the possibilities of a data-driven computer.

The separate Department of Computation at UMIST looks at the wider problems raised in an application and use of computers with a particular orientation towards data processing. One major area of current research interest is the problems inherent in the multiple link-up of computers, a topic on which the department hopes to be in a position to introduce a number of important ideas to industry during the course of next year.

The department has also been drawn into the allied field of micro-processor research—in particular how industry can and should make use of these components and how it can train its engineers, research and technical staff to introduce them. In 1977 the Department of Electrical Engineering at UMIST established a micro-processor engineering unit designed to carry out specialised research and development into ways in which micro-electronics could be applied by industry.

Retraining

However, the demand from industry for the service it has also offering in the application of micro-processor controlled systems and in retraining pointed to the need to separate the academic and practical approaches through the creation of a new body, the Micro-processor Applications Unit (MAU).

Support for the unit comes from the two departments mainly involved in micro-processors, electrical engineering and computation, and it can also draw when required on other specialist departments, such as chemical or mechanical engineering.

The new unit, which has been running for about six months, is staffed by industrial engineers rather than academics, and has been given two basic tasks to carry out. First, it is running a series of training sessions ranging from one-day awareness courses for non-technical managers to 15-day advanced engineering courses.

Second, the unit will act as a consultancy, advising companies how their existing products or processes could be improved through the use of micro-processor control. Among products which the unit has helped to improve in this way is a cutting machine used by a firm of photographic developers.

The machine with its new controls can now make sure that the right prints are put into the right envelopes for customers.

The unit has also designed a microprocessor attachment for Leyland Vehicles which allows much more efficient testing of engines. Companies seeking the unit's advice and training services can reclaim part of the costs under a £15m government scheme announced last year to stimulate UK use and understanding of micro-processors.

But although UMIST now claims to be able to offer a very comprehensive micro-processor service to industry, a national network of retraining facilities is also starting to emerge as a result of the efforts of another Manchester organisation, the National Computing Centre. The organisation was given the task by the government last year of helping to expand the number of places available for training in post engineers in micro-processor technology—estimated in 1978 to be only about 2,000-2,500.

The centre has since developed a training package which it is making available to colleges and other educational institutions throughout the UK and by the start of this academic year had 96 contractors lined up with an average of four a week still joining. By 1980-81 the total number of places available for retraining engineers is expected to total 25,000.

The result should be that most engineers in Britain who want to learn about the application of micro-processors to the products and processes they deal with should be able to do so.

Whether Britain manages to incorporate into its industrial infrastructure the new micro-processor systems which are going to become increasingly available, depends on a number of factors, including the readiness of management and the willingness of unions to accept change. Manchester feels, however, that it at least will have done its bit towards this end.

Rhys David

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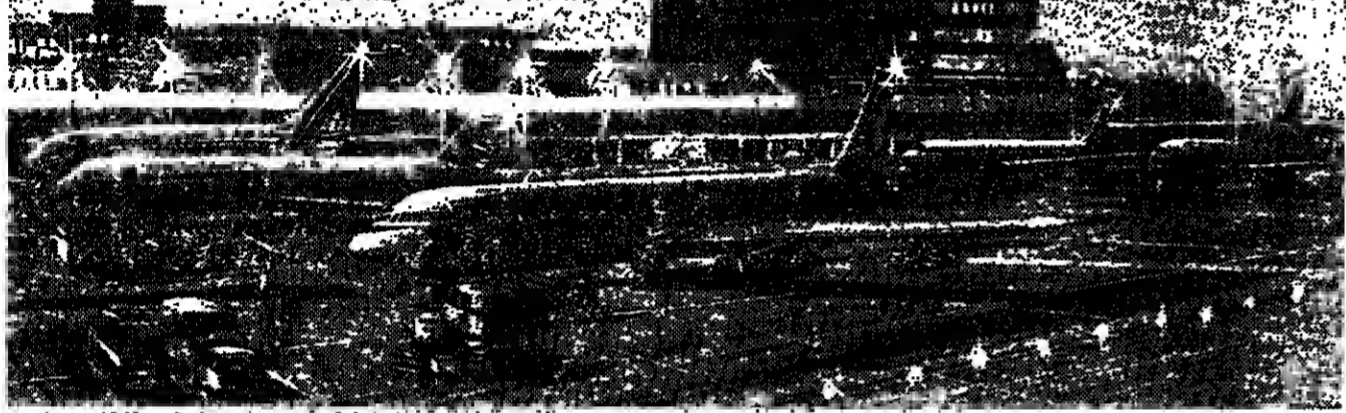
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Transport system under pressure

OVER THE past decade the greatest problem facing the transport authorities in the area that has now become Greater Manchester has been unification.

Ten years ago, there were 55 local government authorities responsible for differing levels of road policy and 11 municipal transport undertakings. Since local government reorganisation in 1974 these have been merged into one county authority which, in theory, ought to have created unity out of chaos.

Much has been done. But a lot remains to be achieved. And with the cutbacks in council authority spending in the last three years Greater Manchester has a long haul ahead to produce an up-to-date and integrated transport system.

The council itself has outlined these problems succinctly. Last year, in its draft structure plan, it stated baldly that the country had fared worse than other metropolitan areas, such as Tyne and Wear, Merseyside or the West Midlands, in capital spending. Newcastle, Birmingham and Leeds were all served by high-standard roads around their city centres, it commented, while in both Merseyside and Tyne and Wear there had been a large amount for public capital spending on transport in recent years.

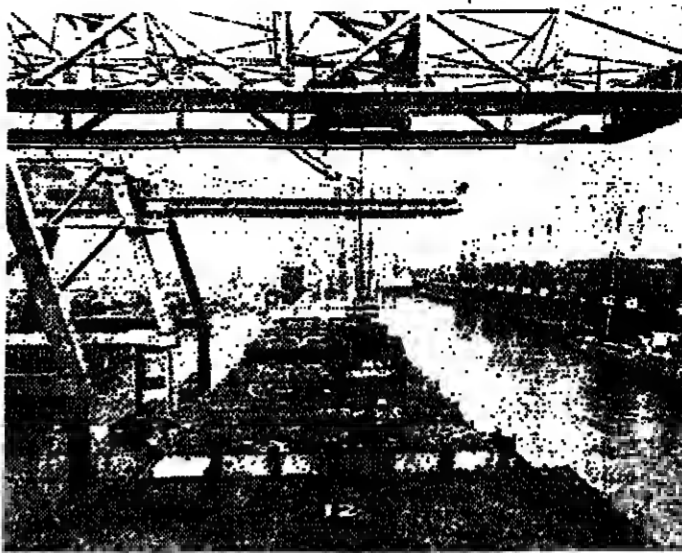
The lack of public spending in Greater Manchester has been masked, and will continue to be, for some time ahead, by the exodus of population from the centre of the city. This is not a peculiarly Mancunian problem; population and manufacturing industry have moved out of all the major conurbations in the 1970s. Between 1971 and 1976, for example, employment fell by 8½ per cent in Manchester according to government figures, which has relieved some of the pressure on the inner-city areas.

The real pressure will come when people start returning to the inner areas. There is some evidence that this is happening on a very small scale in Manchester even now and the pressure on an inadequate road system will become all the greater when these people want to bring in their cars.

Greater Manchester has also been affected by the disparate nature of its community. Unlike Liverpool or Birmingham, Greater Manchester is very much a community of satellites, each of which has its own life, around the central core of Manchester itself. Among the larger towns are Bolton, Rochdale, Oldham, Salford, Bury and Trafford. Links are not always good and one critic has complained that it will be quicker to go from Oldham to Leeds, because of the motorway link, than from Oldham to the centre of Manchester.

Manchester's lack of spending on urban roadways has been due in no small measure to the multiplicity of local authorities before 1974. Detrimental comparisons are frequently made with Birmingham or Glasgow where huge road schemes have carved great highways out of, and through, the cities.

Such criticisms may not be altogether fair. Birmingham has not only built the roads



Simultaneous loading and unloading in the Manchester Liners container terminal in the Port of Manchester. The port provides a transport link to the sea for industries in Greater Manchester and surrounding areas

but it has torn the industrial heart out of the city and is desperately trying to find ways of replacing the small businesses which had to go from the path of the motorways. Manchester has avoided that and may be in a better position, as a result, to re-establish a central industrial base.

It cannot be avoided, though, that there are problems. Since the Boltons and Rochdales and Bury have independent lives within the county, transport has to be tailored to suit their individual needs as well as those of the wider area. There have been some moves to integrate the bus network into the rail heads, especially in Altrincham, but the movement has not gone as far as in Liverpool. Sixty per cent of Greater Manchester's working population uses the bus for work and only 20 per cent the railways.

Efforts to get more people off the roads and on to the railways were severely hit by the collapse of a plan to build a tunnel between the Piccadilly and Victoria main line stations and the acrimony over what should take the place of the Pic-Vic link as it became known.

Greater Manchester originally put up a £67m plan for a tunnel between the two stations which would have turned the suburban rail network into a metro system, allowing through trains from south to north. Unfortunately, Newcastle got in first, the Government was unwilling to sanction more than one metro system in the country at the time and Manchester's was relegated to the pending tray.

Two years later, in 1976-77, in the wake of the sterling crisis and the drastic cuts in public spending introduced after the International Monetary Fund had been through Britain's books, the Pic-Vic plan was cancelled altogether. The link between the two stations is now maintained by a fleet of 26 mini buses which, whatever their other attributes, add to the city-centre's traffic problems and provide a service whose punctuality and time-keeping are very dependent on

chester district, the second-tier authority, has come out flatly against a Castlefield link as have some other organisations such as the RAC.

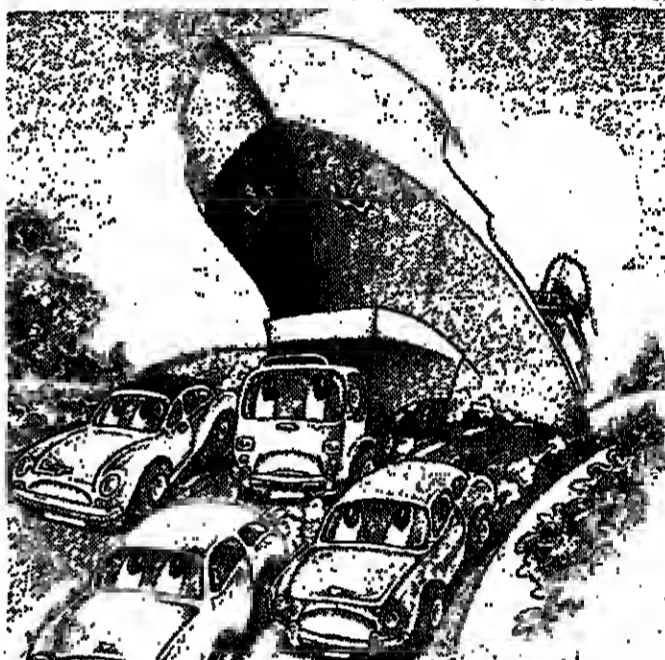
If the outlook within the city is on the gloomy side things at the airport, 10 miles to the south of the city centre, are a lot happier. Manchester is now undoubtedly the most important airport in the country outside London and is one of Britain's leading international gateways.

It handles 4m passengers a year, a figure which is rising strongly. In June it handled a record 410,433 passengers, 9 per cent more than a year earlier. Set against the pessimistic forecasts of air travel made earlier this year, this is a notable achievement.

The airport's runway is now being strengthened and lengthened as part of a £100m scheme to be undertaken over the next 20 years to increase Manchester's ability to handle international flights. Another 800 ft is to be added to the runway at a cost of £15m which will allow aircraft which have suffered weight penalties in the past to operate while carrying economically viable payloads. When completed, destinations in Western Canada, the Middle East and Central Africa will be reached directly.

In an attempt to win a greater share of freight traffic a new terminal is being built on this side of the business. Freight handling, as other airports have also discovered, is a difficult and at times disappointing business. Many forwarders, including some of those operating from within the airport, prefer to shift goods by road to London before sending them abroad. Manchester is out to win more of this business.

Anthony Moreton



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The tourist potential

"OBVIOUSLY," said a civic leader with a quick roll on the drum for Greater Manchester tourism, "we're not in the business of trying to get people to come here for two weeks in the sun." On the other hand, it is only 20 years since equally realistic civic leaders confounded popular belief to prove that Manchester's annual rainfall was actually lower than that of many well-known seaside resorts.

Greater Manchester can claim to be a tourist and conference centre for all seasons and is presently committing money and a rising intensity of effort to prove it.

In its first year the Greater Manchester Conference and Exhibitions Office, a full-time venture set up by Greater Manchester Council with the support of Manchester Chamber of Commerce and Industry and the commercial sector, calculates that it has helped steer conference business worth an estimated £1.5m to its region for an operational budget of about £30,000.

At the same time it has been encouraged by new investment, actual or projected, in hotel development in the county. These schemes, involving new hotels as well as extensions and refurbishment of existing ones, could lead to a 10 per cent increase in the current estimated total of about 9,000 bedrooms.

Assessing Greater Manchester's share of the £295m earned from tourism by the North West last year is difficult because of the lack of reliable data and the fact that overall

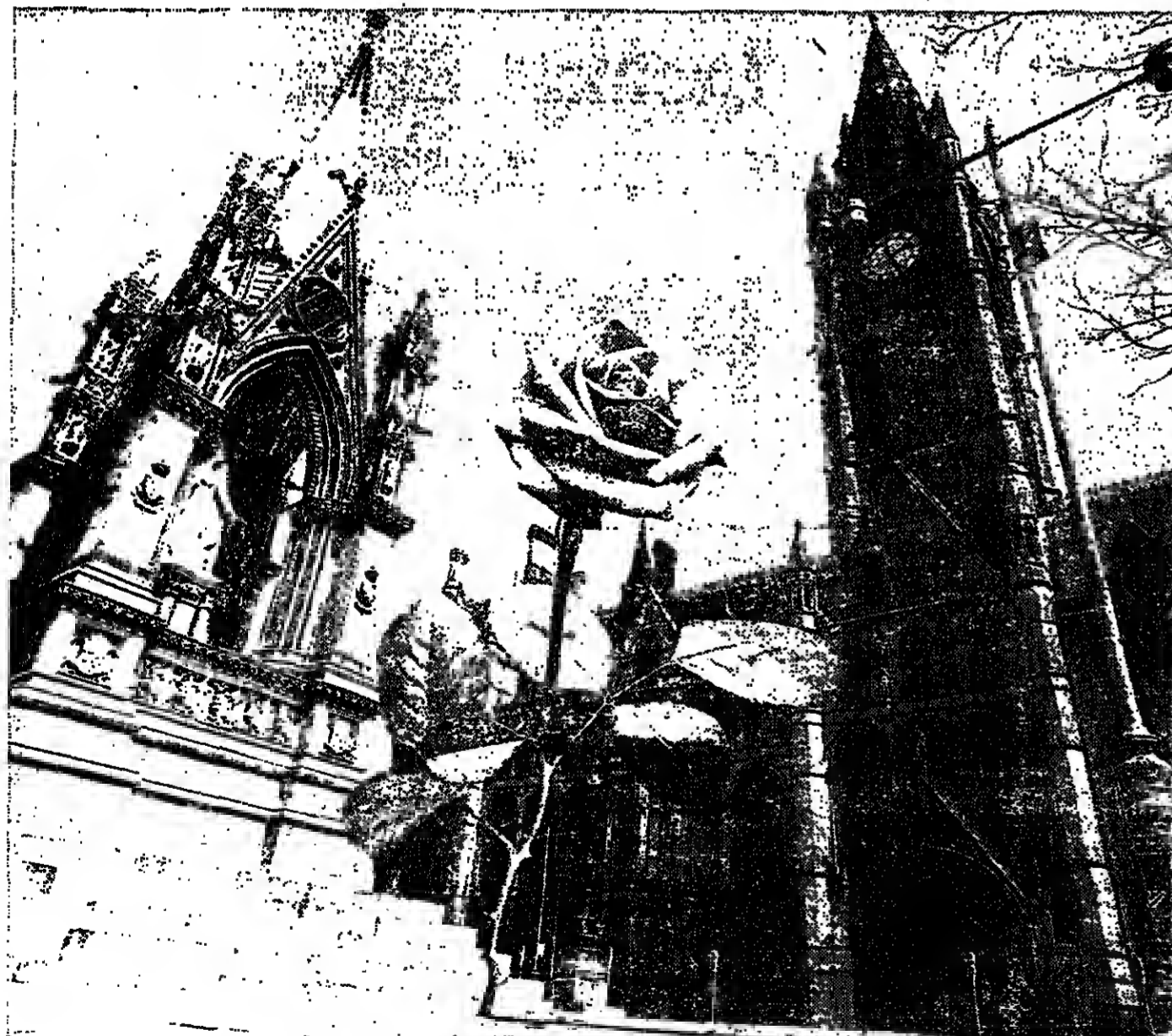
regional figures are distorted by the dominating statistics of Blackpool and other Lancashire coast resorts.

But Greater Manchester's share is considered to be improving and one of the early tasks of the City of Manchester, which itself has appointed a full-time tourism and conference officer, will be to carry out a monitoring exercise, especially in the case of overseas visitors, to measure the scale of this improvement.

With roots deep in the Industrial Revolution it might be thought that Greater Manchester's strongest tourism appeal would be in the area of industry archaeology (and overseas visitors have actually sought out Wigan Pier). It is proving a growing attraction and bodies like the North West Tourist Board have been quick to exploit it with tailored itineraries taking in early canals, mill and 18th century valley cradles of manufacturing industry.

However, Greater Manchester's tourism aspirations are not built entirely on the past, even if it can claim some of the best surviving Victorian architecture, outstanding museums and art galleries, a 15th century cathedral reputedly possessing the widest nave in Britain, plus the Manchester Ship Canal.

Today its appeal additionally has much to do with modern shopping facilities, entertainment, sport, music traditions beaded by the Halle Orchestra, excellent communications, easy access to countryside and the Peak and Lake District national



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CONTINUED ON NEXT PAGE

GREATER MANCHESTER V

Healthy business life

TO WALK ROUND the heart of Manchester's financial community is to be reminded immediately of the City of London. The narrow streets are peopled with familiar names. Take, for instance, Booth Street. It contains the Bank of India, N. M. Rothschild and the Anglo-Eastern Bank. Within a short distance are Peat Marwick and Mitchell, Phoenix Assurance, Keyser Ullmann, and the building societies include Abbey National, Hastings and Thonet, Anglia, Provincial and Britannia.

Off or near Booth Street are to be found Pall Mall, Essex Street and Chancery Lane. A visitor from the City's square mile would feel immediately at home in what is sometimes called in Manchester the half square mile.

Booth Street could be repeated any number of times within the financial heart of Manchester because the city has one of the largest and most sophisticated financial communities outside London. There are more than 60 banks in the city in addition to the British overseas banks.

In England only Birmingham, and Edinburgh in Scotland, offer such a range of financial services.

Manchester is not, however, and would not claim to be, a financial centre in the way London is and Edinburgh virtually is. The only institutions in the city are the Co-operative Insurance Society and the Refuge, and even the latter takes more decisions in London nowadays than in the North West. What the other banks and insurance companies are doing is keeping a representation (sometimes a small one) near their customers.

It was not always so. At one time Manchester was replete with its own banks financing much of the textile and produce trade that moved through the city. Today the only clearer with head office in the city is the Co-operative Bank, which is just over a century old. This is young by Manchester's standards. There is a sign above the National Westminster branch in King Street which traces a bank

ing presence on the site back to the Samuel Jones Bank in 1788.

The role of the Co-operative Bank within the economy of the whole North West, however, should not be underplayed. Its ever-growing strength has added an important element to the financial base of the area.

In the last 15 or so years the main development within the community has been the development of, first, merchant banking and then of foreign banking. N. M. Rothschild was the first merchant bank to arrive, in 1864, and the development of the overseas banking community dates from the arrival of Bank of America 10 years ago.

Not all the merchant banks have as large an operative presence as Rothschild and none would really claim to offer investment advice since this is best done from, or near to, the marketplace—and that is the City of London. But with County Bank, Charterhouse, Japhet, Hill Samuel, Arbuthnot Latham, Henry Ansbacher, Keyser Ullmann, Anthony Gibbs and Samuel Montagu in attendance the merchant banks are strongly represented.

Such banks are in Manchester because the area has a vibrant business community, a community which stretches far beyond the physical boundaries of Greater Manchester. Many large firms, such as Bibby, Vantona, Turner and Newall, Tootal and Ocean Transport and Trading either have head offices or substantial decision-making centres in the North West and it is convenient for a merchant banker to be near those decision makers.

In addition to the giants there are a large number of medium-sized firms in the area who would look more naturally to Manchester, for corporate advice than to London.

This has been amply proved this year, according to Mr. Alan Dean, who heads Rothschild's operation in Manchester. "With the mergers and acquisitions market active this year we have been particularly busy. Most successful businesses need a variety of financial advice and

we aim to service not just Manchester but the North of England."

Since Bank of America's arrival there has been a steady stream of overseas banks setting up in Manchester. They are in the city to take advantage of the substantial opportunities which occur for the financing of business, particularly foreign business. Such banks are not usually clearers, though they might take substantial deposits from occasional clients, and make considerable play of their strength and connections in their homeland.

Most parts of the world are now represented in Manchester though it is perhaps surprising that there are not more American banks. Apart from Bank of America there is Bankers Trust, Citibank, a recent arrival, American Express International, Boston Trust and Savings.

Tourist

CONTINUED FROM PREVIOUS PAGE

and Liverpool Road station, Manchester, the world's first passenger station, is having the dust of ages blown away in preparation for an historic railway occasion before becoming the permanent headquarters of the North West Museum of Science and Industry.

Most of Manchester's new hotel developments will come later. One of the largest involves conversion of the architecturally striking Britannia House in Portland Street, better-known to generations of Mancunians as "Watts' warehouse" from its long history as a textile warehousing landmark. Everbuild is the developer of a 315-bed hotel which will keep the existing Victorian facade.

Work is going ahead to add 50 rooms to Trust House Forte's 235-bedroom Excelsior Hotel at Manchester Airport, with a proposal for a further 100. TEF is also building a four-storey bedroom block at its Post House Hotel, Haydock, under a £1.6m development.

Chrysler Acceptances and Manufacturers Hanover Trust. From Europe there is Algemene Bank Nederland and Societe Generale; from the Middle East Bank Hapoalim of Israel.

Others include the Banks of Baroda, of India, of China, the Muslim Commercial Bank, Habib Bank and the National Bank of Pakistan.

Some of these have opened their doors in Manchester to serve the interests of specific communities, such as the Indians or Pakistanis. The Muslim Commercial Bank has branches in both Rochdale and Bolton, for instance, and Habib Bank is also in Rochdale.

Further development of facilities is almost certain, although it would appear that the rate of growth in future will not be anything like the pace that it has been in the past four or five

years. Some overseas banks are evaluating the possibilities of opening and there is a rumour that another merchant bank might set up in the city, even though there has been no new additions since 1972, but the numbers are much smaller than in the recent past.

This is probably because there is a feeling strongly held by some bankers that the city is overbanked.

It must not be forgotten that Manchester's financial community includes an active group of stockbrokers as well as the ancillary professions such as solicitors, lawyers and accountants. With the small investor not completely dead and great regional loyalty Manchester's broking sector plays an important part in its economic life and will continue to do so.

Anthony Moreton

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Tables, expected to attract 3,000-4,000 delegates at Belle Vue in May 1982; the International Civil Airports Association conference, with a likely 1,000 delegates, again at Belle Vue in October 1981; an international residential music course, bringing 1,500 visitors to the Royal Northern College of Music; and a national conference of the Esperanto Society with 600 delegates at Easter, 1983.

A key feature of re-development of the 23-acre Central Station site has long been envisaged by Manchester civic leaders as a major regional exhibition centre, making use of the former train hall with its clear span roof of 210 ft.

Central Station, now standing vacant for more than a dozen years, has been at the centre of a tangled saga in which a number of abortive schemes have been put forward, nearly all incorporating city-centre exhibition facilities. Including planning permission granted to English and Continental in 1975 for a comprehensive office, shopping and hotel development with 17,000 sq ft of exhibition area.

This summer a joint appraisal by planners of Greater Manchester Council and Manchester City Council again underlined the potential of the train hall as an exhibition centre and recommended feasibility studies into developing both exhibition and conference facilities. A further possibility, fitting well into the concept, would be use of part of the site as first permanent headquarters for Manchester's World Trade Centre.

Perhaps for the first time it was suggested that there should be a more flexible—indeed realistic—approach to re-development of this key site, the largest standing idle in the core of the city, so that there would not be total dependence on a single comprehensive scheme to be implemented "in one go."

Certainly Manchester would be more than relieved to see something happen at last to such a large complex standing so close to the city's main civic zone. For those who believe that Manchester has potential as a regional exhibition centre, given the major focus it lacks at present, the redevelopment of Central Station is crucial.

Tom Heaney

Hotel

Manchester is now planning to exploit this further, afield, and talks are currently taking place with travel operators in Sweden, Spain and Ireland to promote soccer-shopping weekends in Manchester.

Manchester Royal Exchange, for long the temple of Lancashire cotton, can claim a highly successful transition from market-place to Royal Exchange Theatre. In the city's traditional entertainment zone the former Moss Empires' Palace Theatre is being re-born, under the direction of a trust and a major reconstruction programme, as the only theatre in the North West capable of accommodating No. 1 touring companies—opening the way to Manchester performances each year by Covent Garden Opera and Royal Ballet.

But Greater Manchester does not ignore its history. Visitors from many parts of the world are expected in the North West next year for the 150th anniversary of the Liverpool-Manchester railway, the first steam-hauled passenger service.

Encouraged by progress so far, Greater Manchester will put a major emphasis on promoting the county as a conference and exhibition centre. Since August 1978 its conference office has handled more than 300 meetings and exhibition enquiries and well over 100 of them, expected to bring more than 28,000 delegates, have been firmly booked.

Among the largest conferences booked are those of the National Association of Round

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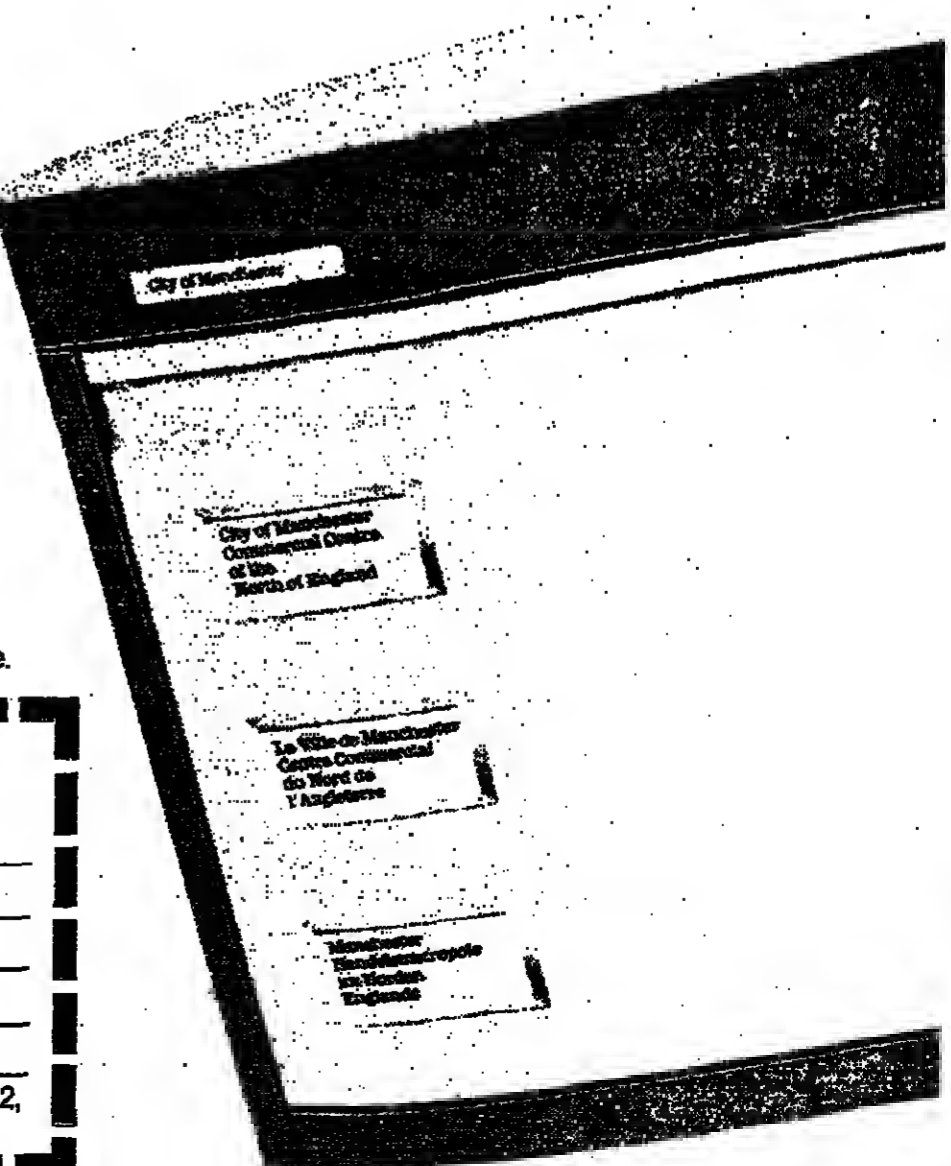
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GREATER MANCHESTER VI

THE PROPERTY climate for city centre shops and offices has not looked so bright for a long time, writes Andrew Taylor, though the country's economic problems raise question marks and these also affect Manchester's industrial property market. A decline in the number of city centre shoppers has been stopped by the opening of the massive Arndale Centre.

Office rents recovery sluggish

AFTER FOUR years of struggling with over-supply and sluggish rents the market for office space in Manchester now looks potentially stronger than at any period since the last property boom. But there are fears that the long-awaited recovery in city centre office rents may be nipped in the bud by the next economic recession which, according to many national forecasters, is just around the corner. This prospect has naturally blunted some of the recent optimism about future rental growth in Manchester—which has been slower than many of its rival provincial centres to recover from the property market collapse of 1973-74. Top rents for Manchester city centre offices of about 5,000 sq ft are still only averaging between £3.50 and £3.75 a sq ft—compared with the £5 a sq ft recently achieved in Leeds, the most comparable regional centre, and which, like Manchester, is ideally situated on motorway links.

Bank's Lowry House. The take-up of office space in the past 12 months—taken together with deals in the pipeline—means that the glut of empty buildings has now been reduced to much more manageable levels. In addition, the absence of any new major speculative building programme suggests that a shortage of good city centre office space may occur over the next two years. It is these factors which have fostered much of the recent optimism that office rents within the city are now due for an up-surge—in line with the recovery that has already occurred or started to occur in other major provincial city centres. This confidence would appear justified given Manchester City Council's decision last year to pay rent of £4.95 a square foot for the whole of Heron Corporation's 128,000 sq ft Albert Square development due for completion in 1981. This deal, put together for Heron by agents W. H. Robinson, no longer looks as expensive as

might once have done. A significant recent feature of the Greater Manchester office market as a whole, has been the comparatively strong rental performance in such towns as Stockport, Wilmslow and Altrincham to the south of the city. In these towns the backlog of empty offices has often proved to be easier to move than in the city centre itself. This has led to an almost absurd situation where top office rents of around £4.95 a square foot in nearby Wilmslow, are almost £1 higher than in the city centre itself. And rents in Stockport and Altrincham are either on a par or not far behind those currently being achieved in the city centre. The profile of these towns is too remarkably similar to that of towns such as Slough, Reading and Windsor in the so-called corridor to the west of London—and which have had similar success in attracting new office users, notably computer companies, to their areas.

Both sets of towns, although in different parts of the country, are ideally situated near major airports and adjacent to national motorway and railway networks, and in addition they have pleasant surroundings. However, difficult traffic problems within Manchester's city centre may have been another factor which has assisted the office market in outlying areas like Wilmslow. Developers claim that difficult parking problems within the inner city area have been exacerbated by Manchester City Council which, until recently, generally allowed only one parking space per 10,000 sq ft of offices—compared with one space per 500 sq ft offices generally available in outlying areas. Despite these problems, agents like W. H. Robinson remain optimistic about the future for city centre rents and see no reason—barring short-term ill effects from the forthcoming recession why they should not now start to catch up with levels being achieved in Leeds.

Shopping centre complete

MAJOR CHANGES have taken place within the Greater Manchester retail market during the past 20 years—which is almost the time it has taken to develop the massive Arndale shop and office complex which overshadowed the Manchester commercial property market for most of that period. During those years there has been a marked drop in the numbers of shoppers—traditionally drawn from all over the north-west region—coming to city centre stores. A decline which has coincided with the rapid development of new and successful shopping centres in nearby towns and cities such as Bolton, Blackburn, Oldham, Stockport, Altrincham and many others. To what degree the length of time it has taken to complete a major project like Arndale—on one of Europe's busiest shopping streets—has contributed to this movement away from city centre stores is difficult to judge. Clearly, the disruption to Mar-

ket Street—sometimes labelled the Oxford Street of Manchester—throughout this period will have had some detrimental impact on shopping trends. However, it would be equally true to say that Arndale—which now houses some of the most important names in British retailing—has, since its completion, become a big attraction for shoppers coming to the city centre. But whether it will entice shoppers back to the centre in the same numbers as maybe 20 years ago remains in question. Undoubtedly Arndale in just simply retailing terms can be regarded as a major success for its developers, Town and City, and for its financial backers which include the city council. There are signs that it is not only bringing shoppers from outlying towns back to the city centre but also may be enticing trade away from other city centre shops. One of the crucial factors behind the change in shopping habits over the past two decades has been the movement in population away from central areas. Over the past 20 years or so the city's population has declined from 750,000 to less than 1m. At the same time public transport costs have risen sharply while Manchester, like other major European cities, faces serious traffic problems with, in particular, a serious shortage of parking facilities. Equally the 1980s and 1990s has seen the development of a

whole string of new shopping complexes in outlying towns which have provided serious competition for the trade which traditionally always came to city centre shops. This is not to suggest that retailing in the city centre is in any danger of collapse—just that its position is no longer quite as omnipotent as it once was. Comparisons of shop rents between the city centre and outlying towns, compared with 20 years ago, provides a clear indication of how the traditional balance of retailing power has moved away from the city centre. Agents Bernard Thorpe estimate that shop rents at the beginning of the 1960s were perhaps up to 10 times as high in the city centre by comparison with rents in outer areas. Today an annual city rent of between £35,000 and £40,000 for a standard 18 ft by 17 ft (plus storage) unit compares with up to £25,000 in Bolton and up to about £30,000 in Stockport. Bernard Thorpe says that only 10 years ago rents for a standard unit in Stockport were as low as £7,500. It now remains to be seen whether the wheel may have turned full circle and whether the increasing numbers of shoppers coming to the city centre over the past 18 months will turn into anything more significant and put greater pressure on retailing operations in the outer areas; with perhaps a corresponding movement back towards more traditional rental differentials.

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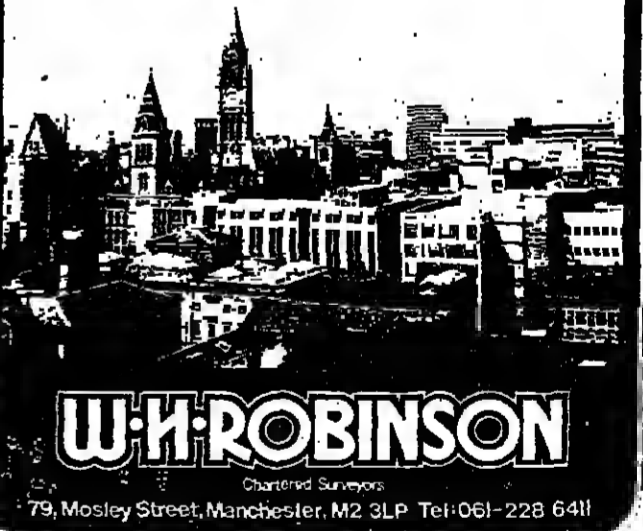


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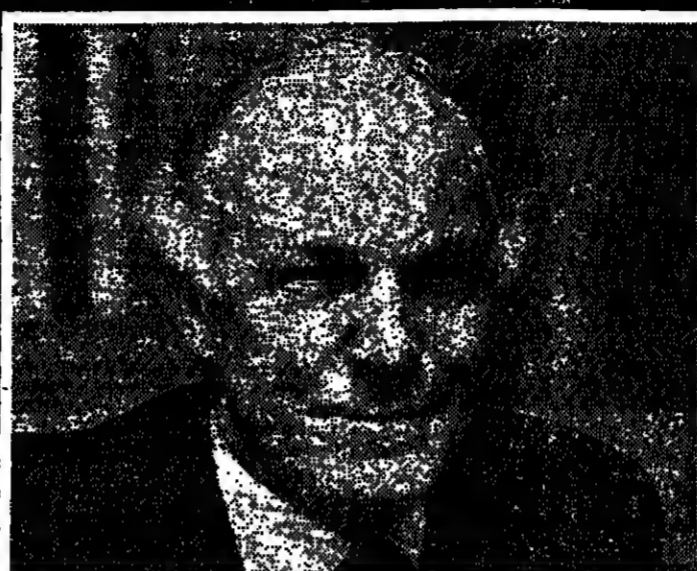
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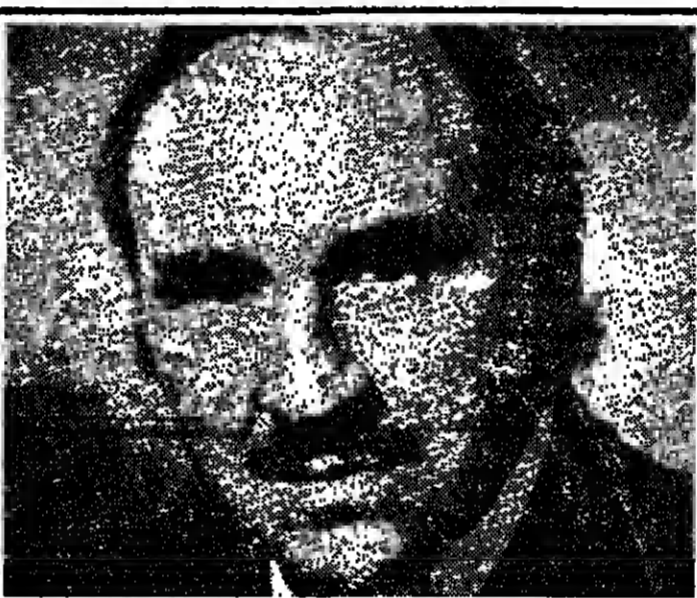
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Companies and Markets

UK COMPANY NEWS

Austin Reed up 30% but warns of slowdown

WITH TURNOVER higher at £19.23m, against £16.83m, pre-tax profits of Austin Reed Group, menswear retailer and manufacturer, increased by 30 per cent from £1.01m to £1.31m for the 27 weeks ended August 4, 1979. This rise, however, would have been greater but for exchange losses due to the strength of sterling.

On prospects for the year, Mr. Barry Reed, the chairman, warns that since the June VAT increase there has been a noticeable decline in consumer demand, which is affecting turnover at the group's UK shops and the forward order position of its manufacturing companies.

Table with 2 columns: 1978, 1979. Rows include Turnover, UK retail, Overseas retail, Trade, Profit before tax, Taxation, Minority, Dividends, etc.

For the year ended January 31, 1979 pre-tax profits reached a record £3.43m. The net interim dividend is effectively raised from 0.739p to 0.9p per 25p share—last year's total was an equivalent 2.55p. During the first half, most of the group's UK provincial shops continued their upward sales trend, but trading in London's West End and other tourist centres remained difficult due to the fall in spending by foreign visitors.

A drop in overseas retail sales from £3.63m to £2.99m was due to the closure in 1978 of the group's outlets in Brussels and Copenhagen. The midway loss at the Swedish branches was substantially reduced. During the period, the outstanding minority interest in Austin Reed BV in Holland was acquired for £245,000.

comment A 1p drop to 85p in Austin Reed's share price reflects the company's cautious view of the second half rather than any disappointment in the interim results. In fact, the 29 per cent profits rise is a creditable performance given that currency conversion probably cost about £80,000 and retail clothing sales were depressed for a last four weeks following the sharp increase in VAT. On the retail side, the main impetus came from the provincial shops while the Chester Barry acquisition helped boost manufacturing sales by

more than three quarters. However, this momentum has now slowed considerably and prospects depend very much on the reception of the company's Spring Collection and what people do with their tax rebates. Assuming a dividend payout of 3p, the shares sell on a prospective yield of 5.1 per cent. This will provide little support if trading does not pick up substantially.

Beauford rises at halfway FOR THE half-year ended June 30, 1979, taxable profits of Beauford Group, heavy machine tools and plant manufacturer, rose from £288,556 to £339,265 on turnover ahead at £3.12m against £2.97m.

The directors state that results for the second half will be adversely affected by the engineering dispute, but subject to an early settlement, pre-tax profits for the full year should not be less than last year's record \$805,000. After six months tax of £198,221 compared with £183,285 net profits came through at £141,044 (£135,571) giving earnings of 4.3p (4.2p) per 10p share. The net interim dividend is raised to 1.4p against 1.2p, last year's final being 2.56p.

Luis Gordon in profit

A HALF-TIME trading loss of £18,000 last year has been converted into a profit of £201,000 for the six months to June 30, 1979, at Luis Gordon Group, importer and distributor of sherries, wines and spirits.

Deduction of £311,000 interest (£242,000) interest produces a loss of £110,000 (£269,000 loss), on turnover up from £4.3m to £5.5m. The directors explain that, because of the seasonal nature of the group's business, with the bulk of sales coming in the second half of the year, losses are likely in the first six months. They add that the increase in turnover, improved trading results and reduction in the loss attributable to shareholders demonstrate that the group is continuing to make progress.

Sales of Domecq Sherry, which represents the largest part of the group's business, increased by 10 per cent against 8 per cent for the sherry market as a whole, and sales of port, fine wines, brandy, spirits and liqueurs have all more than doubled. The impact of two Budgets helped, although the improvement also reflects a successful sales and marketing strategy. It is hoped that the results for the year will show a satisfactory improvement over last year's £180,000 profit on turnover of £12.9m. Dividend last year came out at 1p net.

BOARD MEETINGS Table listing companies and meeting dates: Anglo-Siam, Anglo-Siam, Anglo-Siam, etc.

J. Spear trebling dividend TURNOVER AND profits of J. W. Spear and Sons, toy and game manufacturer, were little changed for the half year ended June 30, 1979.

ON TURNOVER down £400,000 to £3.2m, Sanderson Murray and Elder (Holdings) reports a pre-tax loss of £10,737 for the year ended June 30, 1979, against a profit of £142,793 last time. The dividend is cut from 3.465p to 2p. The figure was struck after depreciation of £69,010 (£68,055) etc. and investment income of £45,069 (£41,079). Tax takes £16,837 (£32,936). The directors of the group, which processes wool and man-made fibres and is engaged in topmaking and merchandising, state that an improvement in topmaking sales in the UK during February was not maintained. Up to June there was increased competition to maintain viable machinery activity. Sharp movements in sterling made overseas wool costs uncertain, they add, and its appreciation has depressed prices and encouraged imports of garments, cloth, yarn and tops.

S. Jerome down at midway and sees year-end shortfall

ON TURNOVER down from £4.45m to £3.7m the taxable profits of S. Jerome and Sons (Holdings) fell from £310,536 to £176,460 in the first half of 1979. And the worsted fabrics group warns that it is unlikely to reach last year's total profit of £817,645.

The directors say that in the first half they did not receive sufficient orders to run all machinery, resulting in reduced production and turnover. In addition, the high value of sterling made exports less competitive, and the currency's strength added to the company's problems by being to the advantage of cloth and clothing imports.

After tax, down from £161,430 to £59,938, the surplus is reduced from £149,056 to £123,522. Stated earnings per 25p share fell from 4.5p to 3.7p. The interim dividend is 0.525p net, against 0.5025p, and absorbs £17,570 (£16,817). Last year's final payment was 2.5625p. The group has bought an 85 per cent stake for £397,550 cash.

in Davis Safety Controls, which makes and installs electronic communication systems. In 1978 Davis made taxable profits of £63,890 and has warranted pre-tax profits of £110,000 up to September 28, 1979, the acquisition date.

Moss Bros. improves at six months PRE-TAX PROFITS of Moss Bros., tailor, improved from £131,000 to £156,000 for the half year ended July 28, 1979, on turnover up from £3.04m to £3.39m.

After first-half tax of £86,000 against £75,000 earnings are shown as 2.78p (2.22p) on increased capital. And the interim dividend is effectively raised to 1.4p (£1.088p) net—last year's final payment was an adjusted 1.8883p. Sales for the current half-year at K. O. Boardman International, clothing manufacturer and

importer, had been maintained at a similar level to the corresponding period last year. But net profits continued to be under pressure due mainly to rising costs and high interest charges. Mr. G. S. Kula, the chairman, said at the annual meeting. As already known, on turnover of £23.9m (£21m) pre-tax profits for the year ended March 31, 1978, slumped from £903,925 to £79,420. The net attributable balance stood at £501,177 (£570,832).

First Castle jumps at halfway In the first half year ended August 4 1979, First Castle Securities has shown further progress, with profits up from £103,077 to £154,267. There is no tax charge. Earnings are shown at 3.12p (2.85p per share), and the interim dividend is 0.8p (equivalent 0.5p). Total for the year 1978-79 was 1.1055p from pre-tax profits of £237,000. Turnover has increased from £23,182 to £1,131,913 as a result of the expansion of R.R.M. Electronics and maintenance of exports in Leslie Hunt Pianos despite the rise in sterling. The profit reflects this improved position.

CLIFFORD'S DAIRIES For the first time, the directors of Clifford's Dairies have declared an interim dividend amounting to 0.8p net per 25p share. This will absorb £77,811. In yesterday's report on results for the first six months of 1979, this was excluded, being lost in transmission.

Stay a Spillers Shareholder. With an unchanged offer of only one Dalgety share for six Spillers shares and with no cash alternative, Dalgety are trying a takeover on the cheap. Spillers private shareholders won't easily be persuaded by Dalgety's derisory offer. Also, some of the country's largest institutional investors are standing by Spillers. They, too, are dissatisfied with the offer. Our investment plans include an agricultural feed mill in the West Country, a meat processing plant at Reading and major improvements and extensions to three flour mills at Newcastle, Hull and Cambridge. We are dedicated to a continuing Research and Development programme and the promotion of our famous brand names. Dalgety shares are high-risk as they have made no profit forecast for the current year nor, yet, published accounts for the year ended 30th June 1979. Stay a Spillers shareholder. LOOK AT THE FACTS: Spillers shareholders are loyal — the majority has chosen not to accept. Spillers dividend is up 67% this year. Spillers profit forecast is around £15 million. Spillers latest accounts show net tangible assets of 63.5p per share. Spillers is investing £20 million this year for future growth. Spillers has a first rate management team.

INTERNATIONAL COMPANIES and FINANCE

SUBSTITUTION ACCOUNT PROPOSALS

Morgan Guaranty hits at IMF move

BY NICHOLAS COLCHESTER

THE ADVANTAGES to prospective participants in the IMF's planned Substitution Account are meagre as it is at present conceived, says Morgan Guaranty Trust in its latest edition of World Financial Markets.

The IMF will take the dollars from its basket-of-currency value. But Morgan Guaranty's greatest reservations centre on the credibility of the SDR instruments issued. If the value of the interest paid on the SDR instruments, and their capital value, are guaranteed by no more than the interest and international value of the dollar investments lying behind them, the substitution proposal ought properly to be regarded as a new medium for indirect central bank investment in dollars.

Morgan points out that for the account's assets to be fully guaranteed in SDR terms someone has to bear the potential cost of the guarantee—either the U.S. Government, or all participants in the scheme, or members of the IMF. This matter is unresolved.

Morgan says that "some central banks may find book-keeping attractions in the substitution account's SDR denomination, legal fiction as it is." Others may welcome it as a symbol of international co-operation. At all-in-all Morgan does not expect central banks to put much more than 45 per cent of world reserves into the substitution account when it is finally launched.

Brazil to borrow \$1bn in own name

By Rosemary Burr

Negotiations for a \$1bn syndicated credit for the Republic of Brazil are currently in an advanced stage, according to participating banks. This will be the first time the Republic has borrowed in its own name in the bank market for 15 years.

FASB to issue Standard on inflation accounting

BY STEWART FLEMING IN NEW YORK

THE United States will today become the first industrial country to require major corporations to supply shareholders and the public with inflation-adjusted accounts.

It remains to be seen, however, how much opposition to the FASB requirement surfaces. The betting currently is that while the new requirements will be highly controversial and many companies, especially those in industries such as engineering, who will be faced with reporting lower profit figures in supplementary reports, will grumble, the Standard will become effective.

The new standard will be effective for fiscal years ending on or after December 25, 1979, but the initial presentation of current cost information may be postponed to the first annual report for a year ending on or after December 25, 1980.

MF may sell German Hanomag

BY HAZEL DUFFY, INDUSTRIAL CORRESPONDENT

MASSEY-FERGUSON could soon find itself safely out of its loss-making construction equipment activities following the disclosure yesterday by the German-based IBE group that it is negotiating with MF with a view to purchasing the German Hanomag company.

several companies, including IBE, which have expressed an interest in the possible purchase of our construction machinery operations. Some discussions are continuing but we are not in a position to make any comment at the present time.

Hanomag and negotiations are under way. There is a possibility that the State of Lower Saxony could guarantee some of the finance for the deal.

Chrysler sells property unit for \$195m

By Our Financial Staff

THE AILING Chrysler Corporation has now completed the previously announced sale of its property subsidiary, Chrysler Real Estate, a diversified real estate investment group based in Wichita, Kansas.

Chrysler said the purchase price was \$195m, which was based on Chrysler Realty's net worth of \$193m at the end of last June.

Chrysler received about \$70m in cash and \$70m in the form of a note for cash borrowed from the subsidiary and now cancelled, and received about \$55m worth of properties and receivables that were owned by the subsidiary.

Eurobonds await U.S. package

BY FRANCIS GHILES

AN ATMOSPHERE of great uncertainty hung over the Eurobond market yesterday as dealers and investors waited to see what kind of dollar support package would emerge from the negotiations currently believed to be under way between senior U.S. Treasury and European central bank officials.

These include a coupon of 1/2 per cent over the mean of the three-month bid and offered three-month interbank rate. This bond will convert into a 4 per cent bond with a semi-annual coupon payment, if the weekly average rate for 10-year U.S. Treasury bills, as published by the Fed, drops to 9 1/2 per cent or lower on two successive fixing dates for the floater.

In the Deutsche-mark sector bond prices drifted slightly lower in very thin activity. The next issue is expected to be announced today, for a South African borrower through Deutsche Bank.

Tiger and Hall's to merge

BY OUR FINANCIAL STAFF

TIGER International, the cargo tiger group, is to acquire Hall's Motor Transit Company, a stock and cash transaction under an agreement reached by the two companies.

Hall's shares will then each be converted into one share of Tiger common.

Hall's operating authority covers 16 states, the district of Columbia and Quebec, while Tiger is best known for its Flying Tigers air freight service.

VW denies Argentine deal

By Our Financial Staff

THE MAJOR West German carmaker, Volkswagen, has denied reports that it has reached agreement to take a stake in the Argentine subsidiary of the financially troubled Chrysler Corporation.

Chrysler's Argentine subsidiary, Chrysler Fevre, operates two plants making cars and trucks. The parent company's original investment in Argentina is estimated at \$40m. Last year the subsidiary produced 24,000 vehicles.

Medium term financing \$110m loan for U.S. oil development

By Our EuroMarkets Staff

UNI-INTERNATIONAL Corporation, a U.S. oil-related company, has arranged a \$110m syndicated medium-term loan and revolving letter of credit facility through Artco Bank and Trust of the Bahamas.

The \$110m 12-year floating rate note by Sweden was priced at par by the lead manager, Credit Suisse First Boston, with indicated conditions otherwise unchanged.

The new Shares have been underwritten by financial institutions on the condition that the Shares are offered to the shareholders of Deutsche Bank AG.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices published on the second Monday of each month.

Table with columns: U.S. DOLLAR STRAIGHTS, Issued, Bid, Offer, Change, Yield. Lists various bonds like Axiata, Avco, etc.

Table with columns: OTHER STRAIGHTS, Issued, Bid, Offer, Change, Yield. Lists various bonds like Axiata, Avco, etc.

Table with columns: DEUTSCHE MARK STRAIGHTS, Issued, Bid, Offer, Change, Yield. Lists various bonds like Argentina, etc.

Table with columns: SWISS FRANC STRAIGHTS, Issued, Bid, Offer, Change, Yield. Lists various bonds like Argentina, etc.

Court holds up airline takeover

SEATTLE—Alaska Airlines and its former subsidiary were ordered by a Federal judge here to comply with an order requiring them either to seek Civil Aeronautics Board approval for their attempt to take over Wien Air Alaska or divest themselves of their Wien stock.

Alaska Airlines recently spun off Alaska Northwest Properties, which had been a subsidiary, in an attempt to circumvent CAB rules requiring prior CAB approval for an airline to acquire more than 10 per cent of another airline's stock.

Rights Offer to the holders of our shares and warrants

Pursuant to the authority granted at the Annual General Meeting on 16th May 1979, when authorised capital of DM 200 million was created, the Board of Managing Directors has decided, with the consent of the Supervisory Board, to increase the Share capital from DM 1,040,132,900 by DM 74,000,000 to DM 1,114,132,900 by the issue of 1,480,000 new Shares of DM 50 par value.

The new Shares have been underwritten by financial institutions on the condition that the Shares are offered to the shareholders of Deutsche Bank AG.

The new Shares are evidenced by a global certificate deposited with Frankfurter Kassenverein AG.

Ramada casino approved

ATLANTIC CITY — The Atlantic City planning board has given final approval for Ramada Inn's plan to build a \$120m casino resort in that city.

Ramada said that, assuming the necessary state licensing approvals are received, it expects to open Ocean Front Resort in the second quarter of 1981.

More sales by Bankers Trust

NEW YORK—Bankers Trust Company said Republic National Bank of New York has agreed to buy 12 of its branch offices in New York with total deposits of about \$150m.

Before its agreement with Republic Bankers Trust had agreed to sell 35 of its branches for a premium in excess of \$50m on total deposits of \$650m.

Bankers Trust said it had also accepted in principle a proposal from Manufacturers Hanover Company as to the sale of eight offices.

It said the sales were expected to be completed in early 1980 for the transfer of accounts, staff, physical facilities and other assets of the 12 offices, 10 of which are in Manhattan, one in the Bronx and one in Brooklyn.

yen STRAIGHTS, Issued, Bid, Offer, Change, Yield. Lists various bonds like Australia, etc.

Additional financial data and notes at the bottom of the page.

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INTERNATIONAL COMPANIES and FINANCE

NUOVA INNOCENTI

Sig de Tomaso increases his stake

BY PAUL BETTS IN ROME

ITALO-ARGENTINIAN industrialist Sig. Alessandro de Tomaso, the man responsible for the rescue of the Innocenti manufacturing operations of BL of the UK in Milan three years ago, is to increase his stake in Nuova Innocenti from 25 per cent to 75 per cent in a deal said to be worth some L23bn (\$28.6m).

Sig. de Tomaso has announced in New York that he has now negotiated with GEPI the purchase of most of the Italian State group's holding in Nuova Innocenti.

Mitsui aims to regain lead

BY RICHARD C. HANSON IN TOKYO

MITSUI AND CO., has announced plans aimed at restoring it to the leading position among Japanese trading houses which it lost to Mitsubishi Corporation following the war.

other task force is being created in the machinery department to emphasise exports of plant, electronic products and motor cars.

French drugs group plans share offering

By Terry Dodsworth in Paris

ROUSSEL-UCFAP, the French pharmaceuticals group controlled by Farbwerke Hoechst of West Germany, plunged into the equity market yesterday with a FFr 245m (\$58.3m) rights issue which is expected to be the prelude to a series of money-raising exercises.

Controls removed on bill rates in Tokyo

BY OUR TOKYO CORRESPONDENT

THE BANK OF JAPAN and money brokers in Tokyo are to lift the last control remaining on interest rates in the short-term bills and call money market, a move which brings Japan one step closer to liberalising its otherwise rigid interest rate structure.

When other bill rates were allowed to move according to demand and supply last November, it was decided to keep controls on the two month bills.

Rights from Tooheys

BY JAMES FORTH IN SYDNEY

TOOHEYS, the major brewery group, has raised its dividend and plans an A\$6.6m rights issue following a 78 per cent leap in earnings from A\$7m to a record A\$12.5m (U.S.\$14m).

beet rose. In the same period national beer sales volume fell by 1.6 per cent. The latest year was the first full 12 months of operations at Auburn the brewery.

Hard facts on the tyre market

BY RUPERT CORNWELL IN ROME

FURTHER rationalisation in the international tyre business, in favour of companies most competitive on price and quality was predicted yesterday by Sig. Leopoldo Pirelli, if the industry was to overcome its present "period of crisis."

(\$37m) loss on tyres, and has won government backing for a plan to have the sector off the level before his takeover in 1976.

Au Printemps bids for store chain interest

By David White in Paris

THE PARIS stock market yesterday received confirmation of a bid by Au Printemps, the department store group, for a blocking interest in a rival chain, Paris-France.

Au Printemps is offering to purchase up to 34 per cent of Paris-France shares, which would give it the necessary one-third blocking stake.

Sales rise for Swiss builder

BY JOHN WICKS IN ZURICH

SWITZERLAND'S leading building group, Losinger, expects its turnover to rise to some SwFr 525m (\$334m) this year from the SwFr 316.4m achieved in 1978.

Public sector construction is "stagnating." Despite general uncertainty and regional difficulties, the company continues to view foreign market opportunities positively.

Fiat denies financial link with Japan

By Our Rome Correspondent

FIAT yesterday flatly denied Press reports and Milan bourse rumours of an impending death-knib by Honda of Japan, or another foreign manufacturer was to take a minority equity interest in the Turin-based car group.

German bankers set an example in self-regulation

BY FRANCIS GHILLES

THE RISE of the Deutsche-Mark to its position as the second ranking currency for international bond issues has occurred in tandem with the weakening of the dollar over the past few years.

advantages of being a member of the Sub-Committee? Being asked to give the bond market a discreet and effective channel through which the central bank can exercise influence.

Hongkong Land International Limited 7 1/2% Guaranteed Debentures Due 1988 Interest Payment Due 1st October 1979

Notice of Purchase European Investment Bank 9% Dollar Bonds of 1978, Due September 15, 1990

Swedish bank improves eight-month surplus

BY WILLIAM DULLFORCE, NORDIC EDITOR, IN STOCKHOLM

SKEDISH state-owned commercial bank PKbanken reports a 37 per cent increase in earnings for the eight months ended August 31 but anticipates a curtailment in profit growth during the rest of the year as a result of the Riksbank (central bank) tight money policy.

CAPITAL MARKETS SUB-COMMITTEE

German bankers set an example in self-regulation

THE RISE of the Deutsche-Mark to its position as the second ranking currency for international bond issues has occurred in tandem with the weakening of the dollar over the past few years.

As a result of the growing international power of the West German currency, increasing attention is being focused on the small band of bankers who decide the level of foreign borrowing in Deutsche-Marks

As the role of the D-Mark grows, so will the importance of the Sub-Committee. Those who belong to it feel that by large the present system functions well; those who do not belong are less bappy, but they dare not express their true feelings openly.

Petrocorp to build NZ \$1.5bn plant

By Dai Hayward in Wellington

THE NEW ZEALAND Government backed Petrocorp has unveiled plans for a NZ\$1.5bn petrochemical plant utilising natural gas reserves at the Kapuni and Maui fields.

Paribas to lift holding in SHK Finance

By Philip Bowring in Hong Kong

COMPAGNIE Financiere de Paris et des Pays-Bas (Paribas) is to subscribe HK\$43.3m (U.S.\$ 8.7m) for new shares in Sun Hung Kai Finance Company.

Controls removed on bill rates in Tokyo

BY OUR TOKYO CORRESPONDENT

THE BANK OF JAPAN and money brokers in Tokyo are to lift the last control remaining on interest rates in the short-term bills and call money market, a move which brings Japan one step closer to liberalising its otherwise rigid interest rate structure.

Exploration effort points to gas as Venezuela's new trump card

THE FIRST large-scale offshore exploration effort in over 60 years of Venezuelan oil activities is still in its preliminary stages after a year of wildcatting in Caribbean and Atlantic waters, but there are encouraging signs that the South American producer may be on the verge of major natural gas discoveries as well as small light oil finds.

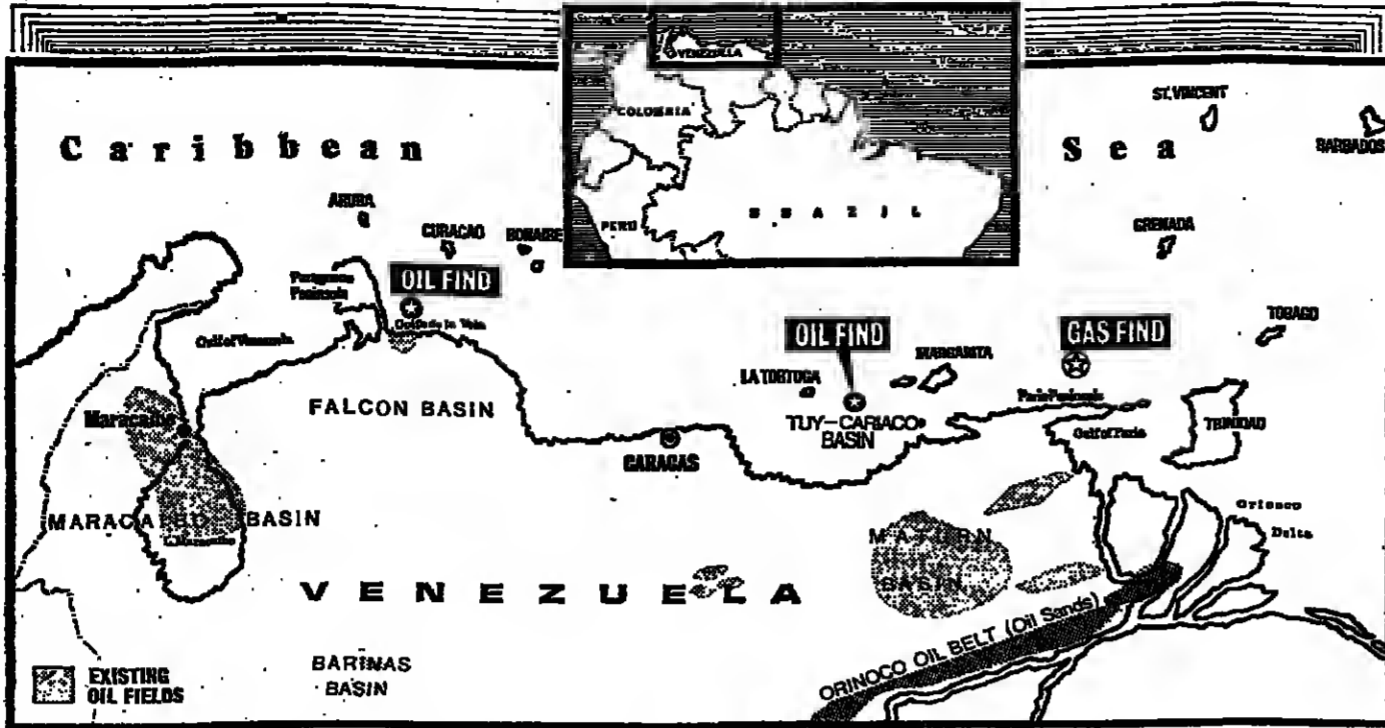
Since the State oil industry undertook a two-year \$175m offshore programme in October 1978, three out of the 16 wells drilled or drilling have struck gas or oil along the nation's 3,500-kilometre coastline. But while the search has centred on finding light oil, the real rewards may eventually come in natural gas.

The first indication of this came last June, when Lagoven, one of the State oil industry's operating subsidiaries, struck gas some 40 kilometres north of the Paria peninsula, north-west of Trinidad. The discovery well, Patao-1, which tested 90m cubic feet per day, had drilled into a giant gas field which begins off Barbados and extends past Trinidad into Venezuelan waters.

While Patao-1 was more of an extension well than a discovery, Venezuelan geologists believe they have also located another major structure holding gas, separate from the giant field now being exploited by Trinidad. Even the normally conservative Energy Ministry's geologists are finding it hard to contain their enthusiasm.

"Nature has been too generous to us," comments Dr. Jose Mendez, an adviser to the Ministry. Nature has indeed been generous in endowing Venezuela with some of the world's largest fields, providing one out of every 10 barrels of oil produced worldwide over the past six decades. But the flow of 35bn barrels since 1917 has taken its toll, sharply reducing Venezuela's light oil reserves which now make up just a quarter of the country's 15bn barrel proved reserves.

One of the first tasks Venezuela faced following the 1976 nationalisation of the oil industry was reactivation of exploration which foreign companies had virtually halted because of the impending State takeover. Offshore drilling was given top priority in plans to invest around \$3bn in exploration



as part of the industry's \$20bn expansion over the next 10-12 years.

The urgency attached to offshore drilling was due particularly to the need to find light oil to replenish depleted reserves. Energy Ministry technicians have warned that unless they are replenished, there will not be enough light oil by 1987 to cover domestic demand, let alone export. In the future the light crude problem may be mitigated partly by use of still largely experimental technology for upgrading Venezuela's predominantly heavy oil which now accounts for half of proven reserves and 90 per cent of potential reserves. Until then, Venezuela must undertake costly stopgap action, applying enhanced recovery techniques to old deposits, drilling deeper into established areas and venturing out into the country's largely unknown 165,000 sq km continental platform.

A number of geologists warn, however, that the likelihood of discovering giant oil fields offshore is remote. They note that the geological provinces along Venezuela's coasts are very young and say that natural gas discoveries are more likely. While Lagoven's discovery

north of the Paria peninsula would appear to support this thesis, the two other State operating companies drilling offshore have discovered light oil as well as gas.

Corpoven, drilling in the Golfo de La Vela, just east of the Paraguana peninsula, has discovered and defined one structure holding light, paraffinic crude and is defining another. There is reason to be optimistic that the area will eventually provide new light oil reserves, but it will be another year before development plans can be drafted.

Corpoven's discoveries are north of the onshore Cumarebo field which was discovered in 1931 and since then has produced over 50m barrels of 47.3 API gravity oil, the lightest of Venezuela's wide range of 60 types of crude. Geologists feel that the offshore fields may have a potential similar to that of Cumarebo. Commercial gas production would have a ready market in the nearby refineries on the Paraguana peninsula.

Dr. Meodes says that the La Vela discoveries, which date back to 1973, may typify Venezuela's offshore oil potential. "They seemed very good in 1973, but when we went back for a closer look, they were not

as prolific as we thought," he says.

Venezuela's third offshore discovery was made early last month in the Tuya-Cariaco basin, between the islands of Margarita and La Tortuga, by Maraven. The discovery well, MTC-1-X, which tested 1,000 barrels per day of 30 gravity crude, did not arouse a great deal of enthusiasm, but some geologists are excited over the possibility of having discovered an entirely new oil province.

he Tuya-Cariaco basin, which extends from Cape Codera to the island of Margarita and covering some 15,750 square kilometres, is virtually virgin, with only three wells previously drilled, all of them dry.

Maraven is now testing the well and plans to drill three more in the area before returning to the Golfo Triste, where it began its initial drilling last year, with three dry holes.

In drafting the offshore programme, Petroleos de Venezuela, the State oil monopoly, singled out seven prospective areas—Golfo de Venezuela, Golfo de La Vela, Golfo Triste, the Tuya-Cariaco basin, Northern Paria, Golfo de Paria and the Orinoco delta. Initially, the three most promising were considered the Golfo de Venezuela,

Golfo Triste and the Orinoco delta. Of these, the most attractive—geologically and in terms of favourable drilling conditions—is the Golfo de Venezuela. Unfortunately, it has been declared out of bounds due to a ten-year border dispute with Colombia over ownership of its waters. Since it forms the top of an hourglass shape, with Lake Maracaibo in the lower half, many geologists believe it may hold the same kind of fabulous fields as Lake Maracaibo which now produces 80 per cent of Venezuela's 2.2m barrels-per-day production.

But with the Golfo de Venezuela politically out of bounds and dry holes in the Orinoco delta and Golfo Triste, offshore efforts are now concentrated on Corpoven's light crude in Golfo de La Vela, Maraven's discovery in the Tuya-Cariaco basin and Lagoven's gas find.

If Lagoven has indeed come up with a giant gas field, it may force Venezuela to reassess its policies. At present, laws restrict exports of natural gas to non-associated gas, so that any move to go into liquefied natural gas would require new legislation. Some observers, however, see the possibility of

a major commercial gas discovery as a godsend.

Alirio Parra, a Petroleos de Venezuela director, feels that abundant gas could be used domestically, for the country's thermoelectric installations, freeing liquid hydrocarbons now being used, for export. Concern over Venezuela's domestic oil consumption has grown in recent years as demand has surged at a rate close to 10 per cent yearly, with total consumption now nearing the 300,000 b/d level. Petrol consumption, which makes up about half of local demand, is growing at close to 14 per cent in high octane fuels.

While Humberto Calderon Berti, the Energy Minister, is hopeful that offshore efforts will eventually provide new light oil, he has taken steps further to husband declining reserves. Last month, in a move essentially aimed at lowering production of light and medium oil, he said that Venezuela would reduce its present 2.35m b/d production levels to 2.2m b/d next year.

At the same time, Venezuela has undertaken a two-pronged effort to market more of the country's abundant heavy oil. Petroleos de Venezuela is now trying to gauge just how much heavy oil it can sell under normal conditions to its clients. If it feels that they are not taking enough, it will make taking additional volumes of heavy oil a condition of continued purchases of light and medium oils. In the short-term Petroleos de Venezuela feels that clients can blend light and heavy oil.

In the longer-term, it looks ahead to the eventual installation of upgrading refineries for heavy oils both in Venezuela and in the consuming countries.

Most industry observers agree that Venezuela's future as an oil exporter lies in its heavy oil, both in the country's 7.5m acres of traditional fields as well as in the Orinoco heavy oil belt, which has estimated resources of at least 700bn barrels. But until the heavy oil can be made to satisfy export and domestic requirements through new technologies, the country must shore-up its reserves of conventional lighter oils. Meanwhile, offshore exploration will, it is hoped, provide the wherewithal to cover the transition period.

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THE PROPERTY MARKET BY MICHAEL CASSELL

New measuring code criticised

THE PROPERTY business's first concerted attempt to end years of arguing by providing a standard code of practice for measuring ran into criticism this week.

Mr. Tony Grant, of Mayfair agents Grant and Partners, welcomed the new code and claimed it would prove a useful document for practitioners.

But, he said, the publication—prepared jointly by the Royal Institution of Chartered Surveyors and the Incorporated Society of Valuers and Auctioneers—contains one recommendation which is out of step with market practice and which could reduce the overall capital value of projects under construction by "millions of pounds."

Mr. Grant said it was apparent the authors of the code had ignored normal measuring practice in relation to most new industrial and warehouse development.

He claimed that while the measurement procedures for developers—which followed the requirements of planning and tax regulations—talked of "gross external areas," the code recommended that for subsequent letting and valuation exercises involving industrial space the "gross internal" measurement—i.e. the external areas less the width of the walls—should be used.

Mr. Grant says the code is wrong. "In our experience, all

financial appraisals of industrial developments, and the subsequent management of the projects concerned, give exactly the same floor areas for planning permission, letting building and funding. It is absurd to expect developers to apply a reduction in these areas, however slight, when it comes to marketing a scheme."

"It is true that with older types of industrial property, gross internal measurements were once normal. But over the past 10 or 15 years it has become standard practice to use gross external measurements."

Assessing the possible effect on a typical scheme of adopting the guidelines, Mr. Grant estimates that on a 450,000 sq ft scheme in the south-east, where rents are approaching £3 a sq ft and investment yields hover between 6 and 7 per cent, the effect on capital values could be as much as £0.5m. He wants an early and clear amendment to "an otherwise excellent guide."

Mr. Clifford Tippett, immediate past president of the ISVA, thought Mr. Grant's point "very peripheral."

"What he is suggesting is that all measurement, when computing during letting and valuation exercises should include the wall. I have spent my life dealing with commercial property and would dearly have loved to get people to pay for the space occupied by walls."

Artagen back with £10m plan

ARTAGEN PROPERTIES, which which was swallowed up by Sun Life Assurance after a bitterly-fought takeover battle in 1976, has re-emerged to announce a £10m industrial development scheme in Kent.

Artagen, which now forms the property development and management arm of Sun Life, is to develop a 30-acre industrial and warehousing complex on the edge of Maidstone on behalf of its parent.

Sun Life purchased the site, which has its own access to the A20 and is adjacent to the M20, from British Anzani, with outline planning permission for both distribution and manufacturing purposes.

The completed site will comprise a minimum 500,000 sq ft of new space. Construction of the first phase of 70,000 sq ft

will begin in February, to be completed before the end of next year.

According to Artagen, the site is particularly suitable for large-scale users. Units of more than 100,000 sq ft can be made available. Site work has already started.

Artagen lost the fight to retain 109 years of independence and joined the Sun Life camp in July 1976. This led almost immediately to the departure of the managing director Mr. John Brown, now chief executive at Peachey Property.

A plan of Artagen's defence centred around a financing agreement under which Sun Life agreed to provide £40m of 25-year money to the property company. Artagen claimed that Sun Life, in bidding for it was

trying to avoid the burden of the agreement. In response, Sun Life accused Artagen of not using the funds provided under the agreement for the purposes for which they were intended.

Since 1976, the property operation has been slimmed down substantially, with residential holdings sold off, loss-making European ventures terminated and some commercial property investments also being realised.

Artagen now manages the insurance group's £250m property portfolio and handles its planned annual property investment of over £25m. About a quarter of total income is to go into the property sector each year, with the proceeds from portfolio sales also being ploughed back in.

Shop rents 'will remain buoyant'

THIS WEEK produced a surprisingly bullish outlook on prospects for shop rents, despite the current uncertainty facing the retailing industry.

Contrary to conventional thinking, agents Healey and Baker say they do not share the concern of rival commentators over shop rents.

In its latest property market review H. and B. says: "In the immediate future we shall be surprised if the retail sector does not enjoy a substantial increase in volume of turnover during the last months of 1979 and we believe that in consequence retail investment and development will be given a boost."

Certainly retail sales have performed much better than many anticipated at the beginning of the year. But spending trends have been almost impossible to predict.

Spending in shops has now flattened out following the spending spree ahead of the budget and the increase in VAT. But a further rise in spending is anticipated before the year end as the next round of tax rebates is triggered.

The agents say: "In the short term we remain confident about prospects for shop rents and even in the medium term and long term we expect to see good growth at a level still running ahead of inflation rates."

St Dunstan's House let to Nordic Bank

St Dunstan's House, the new 54,000 sq ft eight-storey office building in Lower Thames Street, City, has been fully let on a 35-year lease to Nordic Bank at a rent of about £1m a year. It was developed by Agricultural Holdings, and will be renamed Nordic Bank House. St Quintin acted for Agricultural Holdings, and Dron and Wright represented the Bank.

Morgan Guaranty, due to move to their new headquarters at Angel Court (now renamed Morgan House), has asked Jones Lang Wootton to sell the freehold of its existing offices at 33, Lombard Street. The 40,000 sq ft building will be vacant from next April. Offers over £12m are being sought.

Laing Properties has finally let Becket House in Brentwood to Ford Motor. The building has 60,000 sq ft of office space and has been empty since it was built in 1976. About £4 a sq ft was asked. Jones Lang Wootton represented Ford.

Walbrook House, at the junction of Walbrook and Cannon Street, City, has been let to the Bank of New South Wales. Jones Lang Wootton, representing an unnamed landlord, were asking an annual rent of £223,000 for a

35-year lease with five-year rent reviews. The building provides about 60,000 sq ft of offices and banking hall facilities. The bank, which intends to move in next year, was represented by St Quintin.

The Royal Embassy of Saudi Arabia and a private management company have taken space in 154, Brompton Road, opposite Harrods at rentals in excess of £16 a square foot. The embassy was represented by Hampton and Sons. Smith Malsack acted for the landlords, a private investment client.

Slough's new £53m centre "Les Bastions" at Tonrail in Belgium was opened this week. The fully covered shopping centre comprises about 200,000 sq ft on a 15-acre site. It includes several major stores and about 40 smaller shops. About 80 per cent of the smaller units have been let.

Trust Securities Holdings has started construction work on a £10m, 85,000 sq ft, office development opposite East Croydon Station. The building, bought by the Airways Pension Fund, has been pre-let to a tenant of about £500,000 a year to American International Underwriters. Abacus Developments are partners with Trust Securities in the venture.

Coal pension fund invests in U.S.

THE DIFFICULTY of finding suitable property investments in the UK was clearly underlined by the coal industry this week. Annual reports from the industry's two pension funds detail active and collective empire building in the U.S.

The National Coal Board Staff Superannuation Scheme disclosed that in its last financial year it managed to invest only £18m in property, exactly half the level achieved in the previous 12 months. It did, however, enter into commitments amounting to about £25m for further development programmes.

The staff scheme's property

portfolio at the end of April was valued at £240m against a book value of £135m. Rental income over the next five years is expected on current values to rise by £6.45m a year, a 56 per cent increase over current property income levels.

At the Mineworkers' Pension Scheme, whose financial year ended 12 months ago, property investments in that period fell to £23.7m from £25m in the previous year, although investment commitments rose to just over £60m—possibly reflecting the improving cash flow position because of a contributions system which is wage related.

The property portfolio was valued at £230m against a £137m book value. Rental income, at current values, is expected to rise from around £10.88m this year to £14.57m by the end of 1983.



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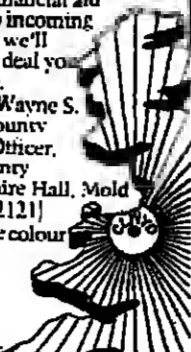
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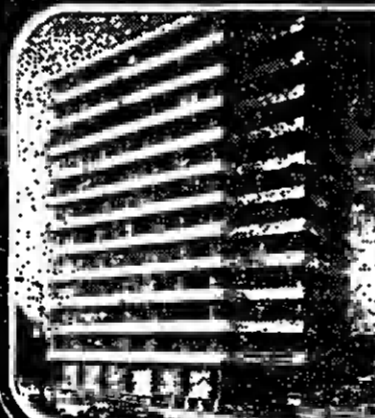
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WORLD STOCK MARKETS

Companies and Markets

Early Wall St. improvement on dollar hopes

Investment Dollar Premium... Stocks on Wall Street displayed a firming tendency yesterday morning in further active trading as speculation continued that the U.S. would move to bolster the dollar...

NEW YORK Stock market data table with columns for Stock, Oct 4, Oct 5, and various financial metrics.

The Toronto Composite Index added 4.3 at 1784.8 at noon... The Dow Jones Industrial Average was 5.38 higher at 890.53 at 1 pm...

CANADA Stock market data table with columns for Stock, Oct 4, Oct 5, and various financial metrics.

Stroog movers outside the Oil sector were Pricel, Radar, Sumner-Dutra, Leagrud, Saone... The Bundsbank bought a nominal DM 500,000 of paper in the open market...

GERMANY Stock market data table with columns for Stock, Oct 4, Oct 5, and various financial metrics.

Hong Kong Stock prices sustained a wide spread setback in fairly active trading... The Nikkei-Dow Jones Average, which posted a large gain of more than 50 points in the morning...

AUSTRALIA Stock market data table with columns for Stock, Oct 4, Oct 5, and various financial metrics.

Gold Mining shares were marked down initially but there was some recovery late in the session... The Nikkei-Dow Jones Average, which posted a large gain of more than 50 points in the morning...

JAPANESE Stock market data table with columns for Stock, Oct 4, Oct 5, and various financial metrics.

Indices

NEW YORK - DOW JONES Indices table showing Oct 5, Oct 4, and other index values.

STANDARD AND POORS Indices table showing Oct 5, Oct 4, and other index values.

JOHANNESBURG Stock market data table with columns for Stock, Oct 4, Oct 5, and various financial metrics.

WEDNESDAY'S ACTIVE STOCKS table listing active stocks and their prices.

EUROPEAN OPTIONS EXCHANGE table showing various options contracts and their prices.

BASE LENDING RATES table listing various banks and their lending rates.

AMSTERDAM Stock market data table with columns for Stock, Oct 4, Oct 5, and various financial metrics.

BRUSSELS/LUXEMBOURG, TOKYO, AUSTRALIA, STOCKHOLM, JOHANNESBURG, OSLO, SWITZERLAND, COPENHAGEN, VIENNA, MILAN, and BRAZIL stock market data tables.

COMMODITIES AND AGRICULTURE

French accused of intimidation

By a Correspondent
FRANCE was accused yesterday of "intimidation" and of behaving like a "police state" in its efforts to strip British lamb from crossing the Channel.
The accusation came from Mr. John Cameron, president of the Scottish National Farmers' Union, who, in a joint news conference with Mr. George Cattell, group managing director of FMC, was giving details of the industry's strenuous attempts to export a consignment of lamb to France.
Mr. Cattell disclosed that eight days ago FMC and the UK's farming unions put together a consignment of lambs from the farm of one of FMC's directors. The intention was to see whether the French Government would allow the lambs to be sold in their market following the recent European Court decision which declared French import controls illegal.
"We arranged for an importer in France to receive the consignment but on the day the lambs were due to go by air," Mr. Cattell said. "Other UK meat export groups had suffered similar experiences. We have heard a number of hair-raising stories about what is happening in France," said Mr. Cattell. "One importer who welcomed the European Court's decision, for example, had his import licence suspended for six weeks.
"This is nothing short of intimidation on the part of the French authorities."

U.S. raises limit on Soviet grain imports

By Our Commodities Staff
THE SOVIET UNION has been given permission to buy up to 25m tonnes of U.S. grain in the next 12 months up to September 30 next year, the U.S. Agriculture Department announced.
This follows talks in Washington to discuss the quantity of maize (corn) that the U.S. would have available for sale, reports Reuters.
Under the five-year agreement between the two countries the Soviet Union is entitled to buy up to 5m tonnes without consultation. But permission has to be sought for further quantities.
In August the U.S. agreed to step up sales of wheat, but a decision on maize was delayed until this month when the size of the current crop is known with much greater certainty.
Dale Hathaway, undersecretary of the U.S. Department of Agriculture, noted that Soviet purchases of maize would be substantially larger than wheat, but said it was highly unlikely that the Russian purchases of feed grain would exceed 18m or 20m tonnes.
He stressed that permission to buy 25m tonnes did not mean that the Russians would actually take up that amount, although the U.S. had adequate supplies available to meet the full amount.
In the past year, Soviet grain purchases have totalled 15.7m tonnes, but because of a poor crop this year they are expected to be stepped up significantly to over 40m tonnes. Much depends, however, on the ability to ship such large quantities.
Mr. Hathaway said the U.S. and USSR would remain in close contact before the next round of talks next spring.
Our Warsaw correspondent writes: Canada will be exporting between 3m to 4.5m tonnes of grain to Poland in the years 1980 to 1982, according to an agreement signed here yesterday by Don Mazankowski, the Minister responsible for the Canadian Wheat Board, and Jerzy Olszewski, Polish Minister of Foreign Trade.

Commodity values fall with gold

By Our Commodities Editor
THE FURTHER fall in the price of gold and other precious metals, brought renewed selling pressure on the London metal and commodity markets yesterday.
Copper eased again in subdued trading conditions. Cash wirebars lost £4.5 to \$399 a tonne, after having reached over £1,100 earlier this week. Tin was also hit by renewed selling. The cash price fell by £165 to \$7,200 a tonne.
Lead prices, however, declined, with the general trend rising strongly on a heavy "borrowing" (buying cash and selling forward) which pushed the cash price up by £21 to £613 a tonne. The three months quotation was only £8.5 higher at £589.5.
On the "soft" commodity markets, sugar values declined, with the London daily price for raw sugar being cut by £2 to £123 a tonne. Cocoa lost around with the March position on the futures market closing \$24.5 down at £1,494 a tonne. Coffee was lower at \$21. The January position dropped by £21 to £1,894.5 a tonne.

UK AGRICULTURE Happy ending after a gloomy start

By JOHN CHERRINGTON, AGRICULTURE CORRESPONDENT
THE FARMING year, in the south of England at any rate, ends at Michaelmas, on September 29. Harvest should be in, and land preparations for next year's crops should be underway. It is a good time for considering the successes and failures of the past, and hopes for the future.
On my own farm, the real feature to my mind has been the behaviour of the British climate. After a prolonged drought last autumn which prevented germination of many grain crops until the last moment, in fact some did not start until the spring, there was a horrible frost. This caused lifting of the top soil which broke the stems of the plants showing and killed them. Others were left clinging to the soil by tender roots.
If that wasn't bad enough, the spring was very cold and late, the grass very slow in growing and when I went on holiday at the end of May, I would have sold all the crops and stock off the farm at a very low price indeed. But then a miraculous growth started, and by the end of June the crops all looked well and I have never seen so much grass.
Consequently, the grain crops filled out—compensatory growth it is called—the tiny rootlets took hold, and disaster turned to promise in the course of a few days. The ewes and lambs which had been anxiously waiting for every blade of grass to grow long enough to nibble off, had more than they could cope with, and I even made some hay with the surplus.
The sheep did well on the whole. Because the autumn had not been dry, the ewes, although in very good order, did not conceive the number of multiple births I had expected. This meant that instead of a mass of triplets the ewes had singles and twins.
This reduced the average numbers born from about 1.7 lambs per ewe to around 1.5. But their survival rate was excellent and the first lambs were born in early May. Such has been the quality of the pasture that all but the last 80 out of more than 1,600 have been sold for. The early ones sold very well and prices only really dropped seriously towards the end of August.
Of the grains, wheat was the crop of the year in my case, and I appear to have harvested more than last year. Not every- one in these parts was so fortunate, and the probability is that the drought in July started to kill out the crop before it was ripe on the lighter land. My land being for the most part heavy, with a considerable clay content, lasted better and most of the grains filled out.
I was particularly pleased with the wheat because I had not used the mass of chemicals now available to kill every imaginable disease because I hold to the old-fashioned notion that you apply these remedies only when you see the crop needs it, not as a preventative.
Drooping crops has become so complicated these days that some farmers employ consultants to advise them of the latest developments and when to use them. The trouble with consultants, especially with chemical consultants, is that some of them recommend a sort of blanket coverage instead of definitely advising when no action needs to be taken. No action in this letter case is highly profitable, keeping in mind the high cost of the materials.
It is quite possible to spend £35 an acre on chemicals and there is no certainty that you will harvest £36 more corn, which would be the only valid reason for spending the money.
Winter barley, while not so good as last year's—it suffered from the mid-winter drought—yielded better than that sown in the spring and reinforced my belief that this autumn-sown crop will gradually replace spring barley as it has on the Continent.
My reduced acreage of spring barley was highly variable. That sown in early March, according to the book, was good at all, while the remainder sown during the Easter holiday turned out very well. But again there was a freak of the season. Late April barley sowing is usually a disaster event when, as in this case, it was forced by the weather.
The fine weather in September has meant that land work has gone ahead well and the winter barley, a third of my next year's harvest, is already in the ground. This is not so early as some of my neighbours, but sooner than last year. Not that I believe early sowing is fundamental to good crops. The great thing is to get them planted when soil conditions are right.
I am just getting ready for wheat sowing and, as usual, am confused by the list of available varieties, 49 in all, of which 16 are of the recommended list of the National Institute of Agricultural Botany.
Choosing the right variety is rather like picking the winner of the Grand National on the basis of gossip and an unreliable guide to form. The varieties are much more sensible, and only have about six varieties.
My ewes have been stimulated to mate rather earlier than they would normally by introducing to the flock a "leaver" or vasectomised ram which can mate and stimulate them without impregnating them. They have now been with entire rams for 10 days and have a far shorter interval either than they have in the past or, perhaps, as with some vasectomised men, as well still able to do some damage.
We shall know next spring.

Farmers plead for tax relief

By CHRISTOPHER PARKES
THE BRITISH farming industry has petitioned the Chancellor of the Exchequer with a writer of demands for substantial cuts in "penal" taxation on agriculture.
"Unless capital taxation is drastically reduced, the resources required in modern agriculture to maintain, still less to expand investment in the industry, will not be available," the National Farmers' Union pleads in its submission.
Echoing the recent Northfield Report on land ownership, the union claims that under present tax law there is a danger that large and medium-sized farms may have to be broken up and parts sold to meet tax bills.
It would be folly if the major advantage of (farm) size enjoyed by the UK compared with other member countries of the EEC were to be eliminated through the effects of taxation," it says.
The NFU bases its case on the claim, widely acknowledged to be justified, that in the wake of the rapid rise in the value of land the income to be made from farming "has become almost entirely divorced from the capital value of the farm."
Demanding formal Government recognition of this, the union wants land to be taxed on its productive value—or 5 per cent of its market price.

Milk proposal next month

BRUSSELS — The EEC Commission will make proposals next month to deal with the Community's controversial surplus milk production, officials said.
They said Mr. Finn Gundelach, Farm Commissioner, also told the European Parliament's agricultural committee that the Nine should review their imports of vegetable fats and soya, even though this would be hotly contested.
The officials stressed, however, that the Commission had no intention of proposing any limit on the EEC's soya imports.
Agreements on soya between the EEC and the U.S. are bound up in the GATT agreements and Mr. Gundelach has no intention of reviving the "trade war" which followed the EEC's decision to tax its soya imports in the early 1970s.
Mr. Gundelach told a closed session of the committee that the EEC must give priority to solving its problems with surplus milk.

Coffee surplus estimated at 1m bags

MONTE CARLO — World coffee supplies are likely to be 1m bags above consumption during the 1979-80 coffee year starting in October, Mr. Peter Zurschmiede, coffee manager at Volkart Brothers, the Swiss company, told a symposium here.
He estimated a deficit of 1.9m bags in the first quarter would turn to a balance in the second quarter and surpluses of 2.3m and 0.8m bags in the final two quarters of the coffee year.
As a result, in the second half of the coffee year prices are likely to move down into the lower half of a 170-220 cent per pound price range which seems acceptable to producers and consumers.
Mr. Zurschmiede estimated 1979-80 demand in the world market would be 56m bags against 57m in 1978-79.
Mr. Dick Butler, managing director in Europe of Colique de Cafe Solvay, a Brazilian company said world consumption of soluble coffee could increase by 22,000 tonnes to a total of 300,000 tonnes by 1984.
Mr. Butler said the significant changes would be in the UK, Spain and Japan, with increases over the next five years of 5,000 tonnes, 5,000 tonnes and 7,000 tonnes respectively.
Mr. Butler added there was enormous potential for growth in Japan.
UK consumption at 0.66 kilos a head is close to saturation but the general consensus is for continued annual growth of 2 to 3 per cent.
Reuters

AMERICAN MARKETS

Table with columns for market type, date, and price. Includes sections for Metal, Grain, and Rubber prices in various locations like New York and Chicago.

EUROPEAN MARKETS

Table with columns for market type, date, and price. Includes sections for Wheat, Soybean Meal, and other European commodity prices.

INDICES

Table showing various financial indices including Dow Jones, Financial Times, and others with their respective values.

Meat levy cuts 'not enough'

By Our Commodities Staff
LEADING FACTIONS in the abattoir and meat industry wanted the Meat and Livestock Commission yesterday that its planned cuts in spending were not big enough.
The Commission, funded by a levy on all livestock slaughtered in Britain, this week unveiled plans to cut the work it does with money from the levy by a third and to raise more funds by increasing charges for services to farmers and the meat trade.
The proposals, which followed years of pressure for economies, were presented to the industry yesterday.

BRITISH COMMODITY MARKETS

Table listing prices for various metals like Copper, Zinc, Tin, and Silver, including spot and three-month rates.

INSURANCE BASE RATES

Table showing insurance base rates for Property Growth and Vanbrugh Guaranteed, with percentages for each.

CORAL INDEX: Close: 478-483

Advertisement for International Molasses featuring an image of a molasses barrel and text describing the product.

A FINANCIAL TIMES SURVEY

LONDON METAL EXCHANGE

October 18 1979
The Financial Times is planning to publish a survey on the London Metal Exchange. The provisional editorial synopsis is set out below:
Overseas Markets
Options Trading
Reviews of individual metal markets and prospects
a) Copper c) Lead
b) Tin d) Zinc
e) Silver
Date is October 8, 1979.
Further information and details of advertising are available on request.
They or Simon Hicks,
Financial Times,
100, Broad Street, London EC4P 4DF.
01-248 5161/5115
J33 FININTIM G
FINANCIALTIMES
THE BUSINESS NEWSPAPER
The survey and publication dates of Surveys in the Financial Times are subject to change at the discretion of the Editor.

LONDON STOCK EXCHANGE

Companies and Markets

Equities up again pending outcome of engineering talks Gilts steady but Golds still vulnerable to profit-taking

ACCOUNT DEALING DATES
Option
First Declara- Last Account
Dealings Days
Sep. 24 Oct. 4 Oct. 6 Oct. 15

EMI came in with results much worse than feared, but recent news closed positions and buying on recovery and bid hopes left the shares 6 up at 37p.

Overseas Banks dull
A combination of domestic and investment currency influences made for dullness in foreign banks.

Industry, Engineering made fresh headway. News of the settlement came after market hours.

International 7 dearer at 164p but profit-taking prompted a reaction of 5 to 385p, after 380p, in Sotheby's.

Truists continued to make headway, while in Financials, stockholders, Akroyd and Smithers, 195p, and Smith Bros, 32p, both improved 5.

GIIT-edged through within narrow limits throughout the day but tended to harden as the close, also on hopes about the engineering talks.

Rises in all FT-quoted Industrials outnumbered falls by nearly 3-to-1 slightly less than on Wednesday, but buyers were held in check to an extent ahead of the weekend and today's end of Account.

In Buildings, renewed speculative buying in a market short of stock lifted Tunnel "B" to 344p before profit-taking left the price 18 up at 340p.

Standing a penny higher at 461p awaiting the interim results, Spillers held the level following the expected reduction in profits.

Newspapers made fresh headway, although business was quieter than on Wednesday.

Another day of intense activity in South African gold shares left a further drop of 17.5 in the Gold Mines index to 211.4.

LONDON TRADED OPTIONS table with columns for Option, Ex'ce, Closing price, etc.

Standing a penny higher at 461p awaiting the interim results, Spillers held the level following the expected reduction in profits.

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APPOINTMENTS

Group treasurer for TI

TUBE INVESTMENTS has made the following appointments within its central finance department: Mr. Philip Feakin has joined as Group treasurer and Mr. J. A. Clarke has been appointed director, financial analysis.

ACTIVE STOCKS

Table of Active Stocks with columns for Stock, Denomina- tion, Closing price, etc.

OPTIONS

Table of Options with columns for DEALING DATES, First Last, etc.

RECENT ISSUES

Table of Recent Issues with columns for Issue, Price, etc.

EQUITIES

Table of Equities with columns for Stock, Price, etc.

FIXED INTEREST STOCKS

Table of Fixed Interest Stocks with columns for Stock, Price, etc.

FT-ACTUARIES SHARE INDICES

Table of FT-Actuaries Share Indices with columns for Index No., Yield, etc.

RIGHTS OFFERS

Table of Rights Offers with columns for Issue, Price, etc.

HIGHS AND LOWS

Table of Highs and Lows with columns for Stock, High, Low, etc.

NEW HIGHS AND LOWS FOR 1979

Table of New Highs and Lows for 1979 with columns for Stock, High, Low, etc.

RISES AND FALLS YESTERDAY

Table of Rises and Falls Yesterday with columns for Stock, Rise, Fall, etc.

FINANCIAL TIMES STOCK INDICES

Table of Financial Times Stock Indices with columns for Index, Value, etc.

MOUNTBATTEN LIFEBOAT FUND

The Mountbatten Lifeboat Appeal, launched one week before Earl Mountbatten was killed in August, has already raised over £10,000 which was presented yesterday to the Royal National Lifeboat Institution.

RECENT ISSUES

Table of Recent Issues with columns for Issue, Price, etc.

RIGHTS OFFERS

Table of Rights Offers with columns for Issue, Price, etc.

FIXED INTEREST STOCKS

Table of Fixed Interest Stocks with columns for Stock, Price, etc.

FIXED INTEREST PRICE INDICES

Table of Fixed Interest Price Indices with columns for Index, Yield, etc.

AUTHORISED UNIT TRUSTS

Table of Authorised Unit Trusts including Abbey Unit Trust Managers, Friends Provident Unit Trust Managers, and various investment funds like Abbey Growth, Friends Provident, and Abbey Income.

Table of Insurance & Property Funds including Abbey Life Assurance Co. Ltd., Friends Provident Life Assurance Co. Ltd., and various investment funds like Abbey Life, Friends Provident, and Abbey Property.

OFFSHORE & O'SEAS FUNDS

Table of Offshore & Overseas Funds including Alexander Fund, Friends Provident Overseas, and various international investment funds like Alexander, Friends Provident, and Abbey Overseas.

NOTES

Notes section providing detailed information and disclaimers regarding the unit trusts, including a warning about the risks of investment and the importance of reading the prospectus.

INSURANCE & PROPERTY FUNDS

Table of Insurance & Property Funds including Abbey Life Assurance Co. Ltd., Friends Provident Life Assurance Co. Ltd., and various investment funds like Abbey Life, Friends Provident, and Abbey Property.

OFFSHORE & O'SEAS FUNDS

Table of Offshore & Overseas Funds including Alexander Fund, Friends Provident Overseas, and various international investment funds like Alexander, Friends Provident, and Abbey Overseas.

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Table of Offshore & Overseas Funds including Alexander Fund, Friends Provident Overseas, and various international investment funds like Alexander, Friends Provident, and Abbey Overseas.

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FT SHARE INFORMATION SERVICE

FOOD, GROCERIES - Cont.

BRITISH FUNDS

Table listing various British funds with columns for High, Low, Stock, Price, and % Chg. Includes sub-sections for 'Shorts' (Lives up to Five Years) and 'Five to Fifteen Years'.

FOREIGN BONDS & RAILS

Table listing foreign bonds and rails with columns for High, Low, Stock, Price, and % Chg.

AMERICANS

Table listing American stocks with columns for High, Low, Stock, Price, and % Chg.

BANKS & HP - Continued

Table listing banks and hire purchase companies with columns for High, Low, Stock, Price, and % Chg.

CHEMICALS, PLASTICS - Cont.

Table listing chemical and plastic companies with columns for High, Low, Stock, Price, and % Chg.

ENGINEERING - Continued

Table listing engineering companies with columns for High, Low, Stock, Price, and % Chg.

Hire Purchase, etc.

Table listing hire purchase and other financial services with columns for High, Low, Stock, Price, and % Chg.

DRAPERY AND STORES

Table listing drapery and store companies with columns for High, Low, Stock, Price, and % Chg.

BEERS, WINES AND SPIRITS

Table listing beer, wine, and spirit companies with columns for High, Low, Stock, Price, and % Chg.

INDUSTRIALS (Miscel.)

Table listing miscellaneous industrial companies with columns for High, Low, Stock, Price, and % Chg.

BUILDING INDUSTRY, TIMBER AND ROADS

Table listing building, timber, and road companies with columns for High, Low, Stock, Price, and % Chg.

ELECTRICALS

Table listing electrical companies with columns for High, Low, Stock, Price, and % Chg.

INTERNATIONAL BANK

Table listing international banks with columns for High, Low, Stock, Price, and % Chg.

CANADIANS

Table listing Canadian stocks with columns for High, Low, Stock, Price, and % Chg.

CORPORATION LOANS

Table listing corporation loans with columns for High, Low, Stock, Price, and % Chg.

BANKS AND HIRE PURCHASE

Table listing banks and hire purchase companies with columns for High, Low, Stock, Price, and % Chg.

COMMONWEALTH & AFRICAN LOANS

Table listing commonwealth and African loans with columns for High, Low, Stock, Price, and % Chg.

LOANS

Table listing various loans with columns for High, Low, Stock, Price, and % Chg.

Public Board and Ind.

Table listing public board and industrial stocks with columns for High, Low, Stock, Price, and % Chg.

FINANCIAL TIMES

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FOOD, GROCERIES, ETC.

Table listing food, grocery, and other consumer goods companies with columns for High, Low, Stock, Price, and % Chg.

Table listing food, grocery, and other consumer goods companies with columns for High, Low, Stock, Price, and % Chg.

Table listing hotels and caterers with columns for High, Low, Stock, Price, and % Chg.

Table listing industrial companies with columns for High, Low, Stock, Price, and % Chg.

Table listing electrical companies with columns for High, Low, Stock, Price, and % Chg.

Table listing engineering companies with columns for High, Low, Stock, Price, and % Chg.

Table listing chemical and plastic companies with columns for High, Low, Stock, Price, and % Chg.

Table listing banks and hire purchase companies with columns for High, Low, Stock, Price, and % Chg.

Table listing various other companies with columns for High, Low, Stock, Price, and % Chg.

Table listing food, grocery, and other consumer goods companies with columns for High, Low, Stock, Price, and % Chg.

مركزنا التحليل

INDUSTRIALS—Continued. Table listing various industrial stocks with columns for stock name, price, and other financial metrics.

INSURANCE—Continued. Table listing insurance companies and their stock prices.

PROPERTY—Continued. Table listing real estate and property-related stocks.

INVESTMENT TRUSTS—Cont. Table listing investment trusts and their performance.

FINANCE, LAND—Continued. Table listing financial institutions and land-related stocks.

DAIWA BANK. Logo and text: a fully integrated banking service. Head Office: Osaka, Japan.

MINES—Continued AUSTRALIAN. Table listing Australian mining stocks.

TINS. Table listing tin-related stocks.

COPPER MISCELLANEOUS. Table listing copper and other miscellaneous stocks.

GOLDS EX-\$ PREMIUM. Table listing gold-related stocks.

NOTES. Table listing various notes and financial instruments.

TEAS India and Bangladesh. Table listing tea stocks from India and Bangladesh.

MINES CENTRAL RAND. Table listing central Rand mining stocks.

EASTERN RAND. Table listing eastern Rand mining stocks.

FAR WEST RAND. Table listing far west Rand mining stocks.

O.F.S. Table listing O.F.S. stocks.

FINANCE. Table listing various financial stocks.

INSURANCE. Table listing insurance stocks.

PROPERTY. Table listing property stocks.

INVESTMENT TRUSTS. Table listing investment trusts.

FINANCE, LAND. Table listing finance and land stocks.

OPTIONS 3-month Call Rates. Table listing options and call rates.

REGIONAL MARKETS. Table listing regional market data.

Notes and footnotes regarding the data presented in the tables.



U.S. resumes arms aid to Iranian airforce

BY ANDREW WHITLEY
A LARGE SCALE airlift to reequip the Iranian armed forces with American military equipment appears to be underway now that financial obstacles...

Callaghan will fight on over manifesto control

BY RICHARD EVANS, LOBBY EDITOR
IN OPEN DEFIANCE of the Labour Party conference, Mr. Callaghan reaffirmed his determination last night that the Parliamentary leadership must maintain control over the Party manifesto...

Waiting for EMI's next move

THE LEX COLUMN
Although EMI's figures are bad by any standard, at least the company managed to give the impression yesterday that it has rather more time on its side than was suggested by the somewhat panicky attempt to sell off half of its music business in July...

Spillers' figures 'promising'

BY CHRISTINE MOIR
SPILLERS WILL need to make £9.5m in the second half of this year compared with £8.7m in the first if it is to meet its profit forecast of £15m.

Workers at Chrysler plant to end strike

BY ARTHUR SMITH, MIDLANDS CORRESPONDENT
WORKERS AT Chrysler UK's Ryton assembly plant, Coventry, ended their 14-week strike yesterday...

Index rose 4.9 to 481.4
Imps/Howard Johnson
Wall Street arbitrageurs do not believe in fairy godmothers, which is why shares in Howard Johnson have been trading below \$22 recently compared with Imperial Group's offer of \$28...

U.S. inflation

Wholesale prices give an indication of increases in the shops which consumers will shortly face. The September figures thus provide little hope for an early easing of the pressure on retail prices.

Gold

wedge of swaps which have still not been touched. It is likely that a sizeable amount of the swap facilities between the U.S. and Germany have been used in the massive foreign exchange intervention of the past few weeks.

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S. African Right-wing snubs Botha

BY BERNARD SIMON IN JOHANNESBURG
THE SHARP Right-wing backlash against the South African Government's recent moves to ease racial discrimination has been given new momentum by the results of four parliamentary by-elections held on Wednesday.

MILTON KEYNES. Commercial Director: Milton Keynes Development Corporation, Watcrown Tower, Milton Keynes MK17 8LX. Tel: Milton Keynes (0908) 74000.